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# The National Underwriter

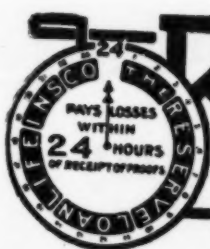
## LIFE INSURANCE EDITION

FRIDAY, FEBRUARY 26, 1932



IN LIFE'S BIG HOP-OFF, PLAY SAFE !

WRITE FOR GENERAL AGENCY PROPOSITION  
AND TERRITORY

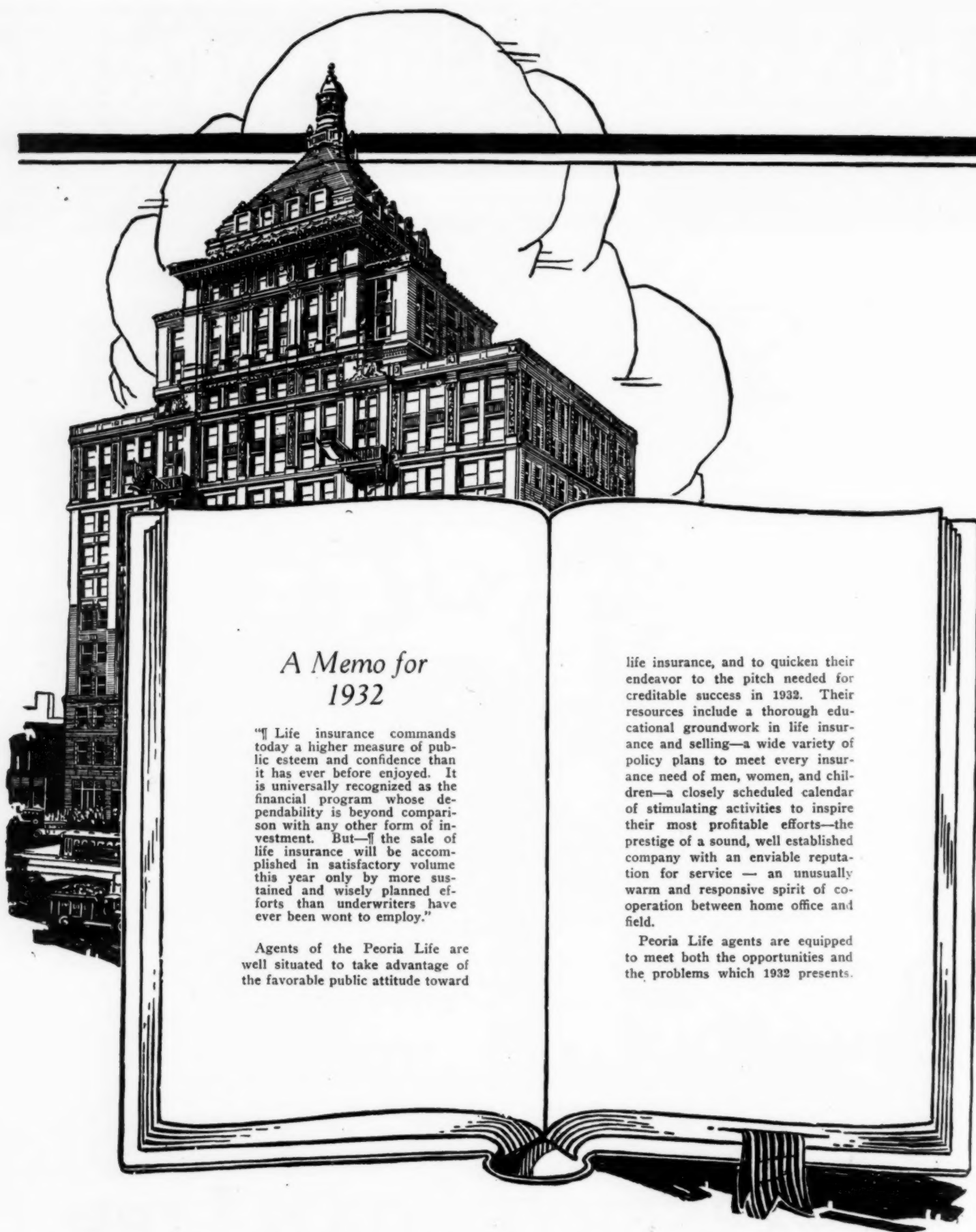


# RESERVE LOAN LIFE

## INSURANCE COMPANY

INDIANAPOLIS, INDIANA.

B18



### *A Memo for 1932*

"Life insurance commands today a higher measure of public esteem and confidence than it has ever before enjoyed. It is universally recognized as the financial program whose dependability is beyond comparison with any other form of investment. But—the sale of life insurance will be accomplished in satisfactory volume this year only by more sustained and wisely planned efforts than underwriters have ever been wont to employ."

Agents of the Peoria Life are well situated to take advantage of the favorable public attitude toward

life insurance, and to quicken their endeavor to the pitch needed for creditable success in 1932. Their resources include a thorough educational groundwork in life insurance and selling—a wide variety of policy plans to meet every insurance need of men, women, and children—a closely scheduled calendar of stimulating activities to inspire their most profitable efforts—the prestige of a sound, well established company with an enviable reputation for service — an unusually warm and responsive spirit of co-operation between home office and field.

Peoria Life agents are equipped to meet both the opportunities and the problems which 1932 presents.

## Peoria Life Insurance Company

PEORIA, ILLINOIS



## A College Education Is Worth \$105,000

**T**HE above figures are taken from a bulletin issued by the United States Government. The average earnings between the ages of 14 and 60 are \$105,000 higher for the boy who is a college graduate than the earnings of a boy who has received only a grade school education.

As long as the father lives and is able to take care of his family's needs and give a little assistance to a boy, the boy with ambition can make his way through college.

But if the father's income is suddenly cut short by death, then the boy may have to go to work to support his mother instead of completing his college education. This will result in a handicap to the boy and a financial loss of \$105,000 during his lifetime.

No father expects to handicap his boy as we just described. The need for an adjusted program to take care of the education of a boy or girl has been recognized by The Ohio National and a plan has been presented to Ohio National salesmen to meet this situation.

In the column to the right is illustrated one of the plans prepared for Ohio National salesmen to take care of the education of a man's children.

By the use of an Ohio National annual or single premium endowment policy, this same program can be guaranteed in event the father lives.

The Ohio National's educational program is one among the many helps for Ohio National salesmen and is one of the many reasons why—"It Pays to Tie Up with The Ohio National."

Salesmen wanted in select locations in the following states: Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Nebraska, Ohio, Oklahoma, Pennsylvania, Texas and West Virginia.

*For information as to a salesman's contract, write—*

### THE OHIO NATIONAL LIFE INSURANCE COMPANY

T. W. Appleby,  
President

CINCINNATI, OHIO

E. E. Kirkpatrick,  
Supt. of Agencies

#### The Ohio National Educational Plan Guarantees

\$ 14.35 a month from the death of the father until the child is age 14.

#### High School

\$131.52 on September first each year for four years from age 14 to age 17 inclusive.

\$ 17.85 a month for four years from age 14 to age 17 inclusive.

#### College

\$131.52 on September first and  
\$131.52 on February first each year for four years from age 18 to age 21 inclusive, and

\$ 62.39 a month for four years from age 18 to age 21 inclusive.

\$509.71 a Graduation gift at the end of four college years or at age 21.

All the above amounts are guaranteed and will be increased by surplus interest.

This plan at age 35 may be secured for a premium deposit of only \$73.80 a year.



# Annual Statement 1931

## A YEAR OF SATISFACTORY PROGRESS

Life Insurance in Force	- - - - -	\$94,646,331.00
Life Insurance Paid For in 1931	- - - - -	12,335,181.00
Assets	- - - - -	17,338,439.12
Gross Income, 1931	- - - - -	3,835,774.32

### PRESIDENT'S MESSAGE

The figures above indicate the results achieved by The Old Line Life Insurance Company of America during its past two decades of active operation, and give the public a very correct idea of what may be expected in the future.

All policies in force with this company today are worth their face value. The company writes life insurance under some thirty-five different plans, also a complete line of accident and health policies; thus it is in a position to meet the requirements of all.

At the end of each year since its organization, it has been able to point out an increase in assets, legal reserve and surplus to policyholders. With its increase in assets at the close of 1931 of more than a million dollars over 1930, the company holds its position

today as firmly as in the past, a strong, conservative and progressive institution.

The home office and the underwriters of The Old Line Life Insurance Company of America plan to continue the administration of its affairs in the interest of its policyholders.

The company will be glad to assist its policyholders in keeping their insurance in force and to render every service possible. Correspondence from the company's policyholders is invited.

Following our usual precedent, we wish our friendly competitors success during 1932.

*Rupert F. Fry*

Paid to policyholders and their beneficiaries since organization over eight and one quarter million dollars.

**The OLD LINE LIFE**  
Insurance Company of America  
MILWAUKEE, WISCONSIN



# The National Underwriter

## LIFE INSURANCE EDITION

Thirty-Sixth Year No. 9

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, FEBRUARY 26, 1932

\$3.00 Per Year, 15 Cents a Copy

### Life Lawyers Fete Illinois Officials

Lowe, Hanson, Other Insurance  
Department Men Are  
Guests

#### CHICAGO CLUB IS HOST

A. F. Gruenwald Discusses Status of  
Life Insurance Paid With  
Diverted Funds

Leo H. Lowe, director of trade and commerce of Illinois, Superintendent Hanson and other department officials, were honored at the February dinner of the Chicago Life Insurance Lawyers Club. The custom of entertaining and paying tribute to state insurance officials was started last year by the lawyers' club, of which L. A. Stebbins, general counsel for the Central Life of Illinois, was the grand exalted founder about six years ago and is the perpetual chairman. Many non-legal life insurance executives were also guests.

Before the exchange of felicitities between the lawyers and department officials, the lawyers' club went through its regular style of program. At every meeting one of the members tells a story of some claim or other life insurance experience. At this meeting, B. P. Sears, vice-president and general counsel for the National Life, U. S. A., told a story of a policy which was issued 20 years ago in Arkansas to a man who never existed, the proceeds of which were paid to a beneficiary who never existed and of how the company got its money back.

#### Gruenwald Gives Paper

Then there was the presentation of a formal paper, which is a regular feature, by Arthur F. Gruenwald, attorney for the Utilities Insurance Company of St. Louis, on "Life Insurance Paid With Diverted Funds." The question is of importance now, Mr. Gruenwald pointed out, because in times of depression embezzlers and thieves are exposed. Employers are over suspicious, over severe and distrustful in these times. This circumstance differs from times of prosperity, when it is comparatively easy for the embezzler to cover his tracks.

The usual rule is that if the fund embezzled can be traced intact into the hands of third parties, it may be recovered. If the fund was used to buy an article which increased in value, he said it has generally been held that the profit can be recovered. Complications arise when the embezzler or thief buys life insurance with the money and appoints his wife as beneficiary.

#### Gives an Example

For instance, an employe might embezzle \$10,000, lose most of it on the stock market but buy \$10,000 worth of life insurance with a double indemnity

### History of Provincial-Dominion Insurance Conflict Is Reviewed

While the Canadian department is sponsoring before the Dominion parliament two measures to give the Dominion department the widest possible powers in the light of court decisions, there is before the Quebec legislature a measure to set up a complete provincial control. The Dominion measures would bring about a complete revision of the insurance act. One measure is concerned with the status of powers of Dominion insurers and the other of British and foreign insurers. Saskatchewan authorities have announced that they will not challenge Dominion jurisdiction on the theory that centralized powers would obviate expensive provincial activities and insure uniformity.

The conflict between the Dominion and the provinces as to insurance jurisdiction has its root deep in the past

#### Jurisdiction Is Confused

In dividing the powers of government in the Canadian constitution adopted 66 years ago, the question of insurance jurisdiction was not made clear, the business not being mentioned at all. The attempt to apply the general provisions of the constitution to insurance has resulted in confusion through the years.

The British North America act of 1867 gave the provincial legislatures the power of incorporation of companies with provincial objects and property and civil rights in the provinces. The Dominion parliament was given the regulation of trade and commerce. Residual authority, or power over anything not clearly set forth in the constitution, was vested in the Dominion.

At that time a number of outside insurance companies were operating in Canada and several Canadian companies were operating under charter of one or other of the provinces.

The Dominion government in 1868 passed an act requiring an insurer to obtain a license from the Dominion authorities, but excepted provincially incorporated companies, which confined their business to their original provinces.

#### Dominion Department Set Up

In 1875 the Dominion department was established. In 1876 Ontario passed legislation governing uniform conditions in fire policies. There was a decision in 1868 upholding the province in assuming this power and the Dominion

feature for \$250. The next year he might have \$100 of his loot and by adding \$150 of honest money pay the second year's premium. The next year he may have reformed, paying the entire premium with his own money and putting \$350 back into his employers' funds. While on a vacation his defalcations are detected. He dies in an accident.

The following demands will be made upon the insurance company. The widow will demand that the whole \$20,000 be paid to her, inasmuch as her husband had repaid the \$350 of stolen money used in premiums. The employer will demand the whole \$20,000

(CONTINUED ON PAGE 15)

ion has not actively contested the point.

In 1916, the Dominion provision, prohibiting insurers other than those licensed by the Dominion, from operating, was declared invalid by the courts. At the same time, the constitution was interpreted as giving the Dominion power to require a Dominion license from a foreign insurer doing business anywhere in Canada.

In 1917, the Dominion insurance law was revised in an attempt to reestablish and widen the powers of the Dominion department.

By this time the larger provinces had established insurance departments and the issue was spirited. In 1922, Ontario passed an act permitting reciprocals to enter without the usual deposit. The Dominion retaliated by requiring agents and brokers acting for Dominion companies to be approved by the Dominion department.

#### Referred to Courts

In 1925, Ontario referred a series of questions to the courts which declared invalid the Dominion attempt to control all foreign companies entering Canada. Ontario and Quebec thereupon licensed many New England mutuals. In 1929, those two provinces again submitted a series of questions which were decided a few months ago. Although the points were intricate, in the main the provinces gained more ground. In recent years, the relations between the Dominion department, headed by Superintendent G. D. Finlayson, and the provincial group, headed by R. Leighton Foster of Ontario and B. A. Dugal of Quebec, have been strained.

The position of the rebellious provinces is epitomized by the recent statement of the attorney-general of Ontario: "The government of Ontario believes that law of the constitution, as represented by the British North America act, must prevail. Several legislative powers of the Dominion and the provinces are therein set out and their amendment is not generally considered to be within the realm of practical politics. Under such circumstances, any mutual government arrangement regarding a delimitation of jurisdiction effected outside the terms of the British North America act, as interpreted by the courts, would represent a subversion of our federal system."

#### Points Out Uniformity Advantages

A statement of the opposite attitude was made recently by F. Erichsen-Brown, well known insurance counsel, before the Insurance Institute of Toronto. "It is utterly absurd," he said, "to have a superintendent in each of the nine provinces. There are so many of these matters that could and should be centralized and handled from Ottawa. Agents and brokers should be licensed by the provinces, or the handling of statutory conditions—provided that uniformity is achieved—that when the insurance companies have to report to somebody in each of the provinces, then I think we are in a position where we should not be."

### Blame Claim Rise on 90-Day Clause

Actuaries Now See It Let Down  
Bars, Caused Trouble  
in Disability

#### PROVED TO BE BOOMERANG

Contemplation of Many Changes in 18  
Years of Benefit Leaves Officials  
Open-minded

NEW YORK, Feb. 25.—The number of companies which are increasing their disability waiting periods, even for premium waiver, to six months is an indication that it was the 90-day presumptive clause which was at the bottom of the largest part of the trouble with income disability.

The introduction of the clause which brought in this measuring rod of permanency for disability was followed by a 400 to 500 increase in disability claims. It changed the contingency which the premiums were designed to cover from one of true, total and permanent disability to one under which altogether too many illnesses, obviously less than permanent, could qualify.

#### Paved Way for Fraud

It opened the way for fraudulent claims as well as those about which there might be an honest doubt. Both classes were responsible for far more claims than were anticipated, for the contingency had been changed from a remote one to an almost every-day hazard.

Some actuaries believe that if the presumptive clause never had been less than six months it would have forestalled much of the trouble that was experienced. On the other hand such a restriction would have detracted greatly from its selling appeal.

Undoubtedly it was necessary to adopt some time limit in excess of which disability would be assumed to be permanent. It can be assumed that actuaries were reluctant to adopt any such measure of the permanency of disability, although the ensuing flood of claims could hardly have been foreseen.

#### Too Much Litigation

Too many cases, however, had been getting into the courts. Agents were finding their popularity in their communities affected. The open-and-shut finality associated with life insurance was becoming clouded with uncertainty and legal complications not at all to the liking of the insurance buyer, who was paying, among other things, for peace of mind.

In 18 years of disability underwriting by life companies there have been many changes. Actuaries were not slow to see the unfavorable trend disability income insurance was taking. Each restriction in benefit or increase in pre-

(CONTINUED ON PAGE 26)

## Only 4.45% of Insurance Taxes Used for Insureds

### REST TO GENERAL REVENUE

Insurance Department U. S. Chamber of Commerce Analyzes Burden on the Business

The insurance department of the Chamber of Commerce of the United States reports that during 1930, special state insurance taxes collected in all states and the District of Columbia amounted to \$99,333,007, a decrease of \$658,465 under 1929. Expenditures by the insurance departments or the money spent in the service of policyholders amounted to \$4,016,971, an increase of \$170,173 over 1929. The percentage of total insurance department disbursements to total taxes was 4.45 percent, the highest for any year since 1918. The remaining 95.55 cents was used for general revenue purposes, serving the public without regard to whether each as individuals was insured or not.

For the year 1922-1930, inclusive, total collections in special state insurance taxes amounted to \$709,029,956, while total expenditures of the state departments totaled \$28,925,631. The insurance department of the Chamber of Commerce points out that had the difference of \$680,104,325 been retained by the insurance business, it would have been sufficient to care for more than 75 percent of all death claims paid beneficiaries of deceased policyholders by the life companies in 1930. It would have been large enough to pay in full the entire losses of American fire companies for 1929 and for more than half of 1930. It would have been sufficient to pay all claims arising from automobile liability coverage during the nine year period.

#### Premium Tax Important

The most important tax peculiar to insurance alone is the premium tax which furnishes at least 90 percent of the total revenue coming from all the special forms of insurance taxation. Other special state insurance taxes include expenses for company examination, state fire marshal and fire department taxes, taxes levied by local governments in 13 states, fees for filing annual statements, publication fees levied by the state and collected by the departments, license fees for agents and brokers.

The Chamber of Commerce says that originally insurance taxes were levied to cover cost of some particular phase of state insurance provision, but now, the entire revenue produced by the premium tax, together with much of that from the other special insurance sources, is used for general operating expenses by the states.

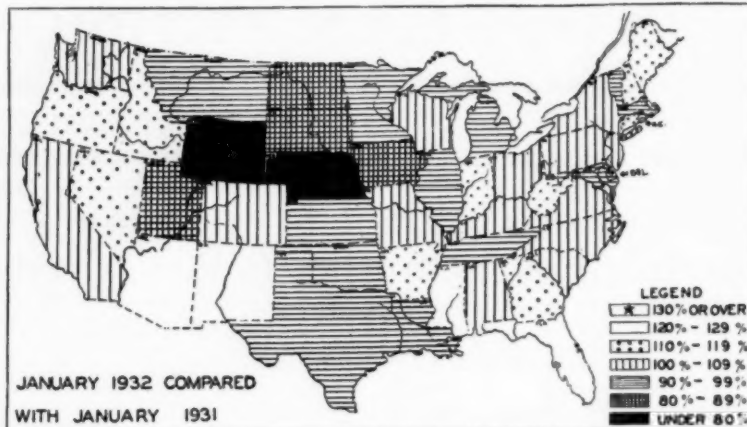
#### Opens Life Department

H. S. Thompson, president of General Underwriters, Detroit, announces the opening of a life insurance department representing the John Hancock under J. F. Oed, who recently resigned as manager of the brokerage and group departments of the John Hancock at Detroit. General Underwriters was established in 1931, to take over the insurance business of the James S. Holden Company, real estate operators. Mr. Thompson was formerly Detroit branch manager for the Hartford Accident.

#### Calls for Blank Changes

ALBANY, Feb. 25.—Walter A. Robinson, chairman of the committee on blanks of the National Convention of Insurance Commissioners, has sent out a notice calling for proposed changes in the annual statement blanks, which must be sent in by March 15.

## January Life Insurance Sales Compared By Research Bureau



Compiled by the Life Insurance Sales Research Bureau

### Higdon Summarizes Reasons for Failure of Disability

Five capital reasons for the failure of the disability benefits as administered by life companies were cited by J. C. Higdon, vice-president of the Business Men's Assurance, in an address before the Kansas City Actuaries Club.

The lack of adequate information on which to base rates was one reason. Liberality in accepting risks was another. Mr. Higdon said that liberality was induced to some extent by failure to realize the financial drain which the disability benefits might become.

Another reason was the failure to investigate amount of insurance carried in other companies and to limit the coverage to a portion of the insured's income, thus guaranteeing against over-insurance at the beginning.

Mr. Higdon said still another reason was failure to include a provision protecting the company if benefits applied for at a later date in other companies in excess of the total earned income were issued or if the income of the insured was reduced to an amount less than the total disability benefits carried.

The final reason was failure to recognize the importance of using extreme care in approving payment of disability benefits. Because of experience only with claims under life policies, where the question of liability was easily ascertained, many companies were led to be very liberal in approving payment of disability claims as soon as request was received from its policyholder. Life claims once paid do not have to be further considered, he pointed out, but disability claims must be constantly checked to determine whether disability has ceased. Too many companies relied upon the insured himself to report the time of his recovery. This lack of care and ingenuity on the part of the companies in handling claim payments influenced to a greater extent than many people realize, he said, the financial losses suffered by life companies and the apparent uncertainty of the mortality rate.

#### New House Organ Out

"The Old Republic Rappor" is the title of the new monthly house organ of the Old Republic Credit Life of Chicago. It takes its title from the name of the president—B. I. Rappor. Several articles are devoted to the industrial banking field, many of the Old Republic's agents being industrial bankers who place insurance on the so-called Rappor plan to cover character loans of small borrowers.

### Insurer Restrained From Canceling for Non-Payment

The Illinois appellate court for the third district has upheld the lower court in granting an injunction in behalf of L. J. Craft perpetually restraining the Bankers Life from cancelling Craft's policies as it threatened so to do.

Craft collected disability benefits for several years. In 1931, the Bankers Life refused to continue to pay benefits and waive premium. Then Craft started action to compel the Bankers Life to waive further payment of premiums and to restrain the Bankers Life from cancelling for nonpayment.

The Bankers Life contended that equity had no jurisdiction and that Craft had adequate remedy at law.

The higher court, however, said that payments of benefits falling due each month upon these policies was to be stopped, according to the terms of the Bankers Life letter, which would require a suit to be started each month by Craft. Therefore, the decree was justified.

### Canadian Companies Study Disability Clause Reform

TORONTO, Feb. 25.—Several Canadian life companies intend to continue disability benefits in connection with life policies, but the terms will be considerably modified. It is likely that 55 will be set as an age limit, and also that the term for monthly payments will be restricted. With some such modifications, the prevailing premium rates might be retained. The companies interested, which have had several conferences, are Confederation Life, Crown Life, Dominion Life, Excelsior Life, London Life, Montreal Life and North American Life.

#### Wisconsin Assessment Test

MADISON, WIS., Feb. 25.—A test case on assessment insurance associations was started by the Wisconsin department with the arrest of J. A. Egan, secretary of the Wisconsin Automobile Protective Association.

Egan is charged with violating the insurance laws by selling association memberships after the department held these associations are illegal. He is said to have sold 1,500 memberships in Dane and Sauk counties at \$5 each.

The test case will also determine the status of the many life insurance associations, also operating on the assessment plan, which has been declared invalid by the department.

## One Percent Gain in Life Sales Reported by Bureau

### IMPROVEMENT IN ALL PARTS

Middle Atlantic States Gain 4 Percent in January Ordinary Business—Philadelphia's Business Good

January ordinary life sales showed a 1 percent gain, according to the Life Insurance Research Bureau. Every section of the country experienced a better January than in 1931. The three middle Atlantic states which pay for about one-third of the entire country's total of new business, showed a 4 percent gain. The south Atlantic section showed the largest gain, which was 6 percent. The Pacific states gained 3 percent.

Philadelphia showed a gain of 5 percent in January, Boston lost 5 percent, Chicago lost 17 percent, Cleveland 11 percent, Detroit 11 percent and New York 7 percent in volume. The figures by sections follow:

	Jan., 1932 Compared to Jan., 1931	1931 Compared to 1930
United States total.....	101%	87%
New England.....	100	94
Middle Atlantic.....	104	99
East North Central.....	95	84
West North Central.....	94	84
South Atlantic.....	106	87
East South Central.....	100	78
West South Central.....	97	80
Mountain.....	99	81
Pacific.....	103	81

Governor Emmerson of Illinois has signed bills passed by the special session of the legislature authorizing insurance companies to invest in tax anticipation warrants.

### Union Central Official to Join the Prudential



ROBERT M. GREEN

Robert M. Green, treasurer of the Union Central Life and chairman of the farm mortgage conference, comprising some 14 of the large life companies investing in farm mortgages, has resigned as of April 1 to go with the Prudential as assistant secretary in the mortgage department.

Mr. Green has had a valuable experience in the farm mortgage and investment field and has had entire charge of the Union Central's farm mortgages during the period of the slump in farm values. As chairman of the farm mortgage conference he has had the opportunity also to become familiar with farm mortgage problems in other companies.

Mr. Green is a Princeton man. He is on the alumni board of Princeton University and has served as president of the Princeton Club of Cincinnati.



## Non-Can Rates to Increase March 1

Average Boost Around 40 Percent  
Seen in Action of Two  
Companies

### RADICAL POLICY CHANGES

Pacific Mutual and Continental Casualty of Chicago Putting New Forms on Market

Non-cancellable accident and health rates will make a sharp increase March 1, in line with the announcement of the Pacific Mutual, the Continental Casualty and Continental Assurance of Chicago, based on new forms, some added restrictions and refining of phraseology which makes clearer contracts.

The Continental and Pacific Mutual, which are the recognized leaders in this field, have attacked the problem of high non-can loss ratios from different angles, although their new provisions are in many respects identical. The Pacific Mutual is maintaining contracts with 30, 60 and 90 days elimination period, optional with applicant, whereas the Continental after March 1 will write non-can only with three months elimination.

#### Other Differences Noted

In another respect they differ. The Pacific Mutual continues life time indemnity with some restrictions, whereas the Continental is bringing out two forms, one giving 100 months coverage and the other a new contract giving 50 months protection. The Continental will write only the aggregate forms.

Its contention is that about 98 percent of all buyers of non-cancellable accident and health have no chance to profit by the lifetime clause, which continues the income for lifetime only if disability continues that long, and therefore a tremendous percentage of policyholders under the 50 months clause can effect a large saving in premiums, which is estimated around one-third.

#### Heavy Rate Increases

The Pacific Mutual's rate increase averages between 35 and 40 percent, the Continental's around 40 percent.

Both companies after March 1 will write non-can only to age 50, going off the risk at age 55, and will renew only to age 55. In the past both of them wrote up to age 55 and renewed to age 60.

The two companies also have set a maximum non-can monthly income of \$300 and maximum participation limits of \$750 a month. The Pacific Mutual, however, will write in connection up to \$15,000 accidental death benefit, whereas the Continental limits to \$6,000, the rule being \$2,000 principal sum for each \$100 monthly income.

#### Has 50 Percent Clause

The unique provision in the Pacific Mutual contract is that while a continuous monthly income will be continued for life during disability, at age 60 it will be cut 50 percent.

The insuring clause in the Pacific Mutual's new contract shows considerable change, the original clause having prohibited the assured from doing any kind of work in order to get the income, whereas now the clause is made up of two distinct clauses: (1) To pay the monthly income for disability prohibiting the insured from engaging in his own occupation, this governing during the first year of the contract; and (2)

to pay the income only if insured is unable to engage in any gainful occupation.

Present policies of both companies at present rates will be issued in all cases where medical examination is made before March 1 and received at the home office within the time usually allowed for transmission by mail. Additional or on trial policies are required by the Pacific Mutual to be based on medical made prior to March 1 and requested before March 15 if the present forms and rates are to apply.

The Continental's viewpoint in writing non-can is that annuities have been growing greatly in popularity and it is believed most non-can buyers are protecting their old age through annuities or other income forms sold by life companies.

#### Claypool's Statement

"The non-can policy is coming into its own," G. F. Claypool, executive vice-president of the Continental Assurance, stated, "thus giving coverage for true disability in the business life. The opportunity of collecting for 100 months total disability is slim. Money for money, the new 50 months contract offers much more than any other non-can form on the market."

The Continental used to issue one, two, three and six months elimination periods, but it was found that approximately 90 percent of all business was written with the three months clause. The Continental's new contracts contain the standard aviation rider giving protection on approved lines, etc. The company will continue to issue the hospital indemnity clause by rider, giving protection from the first day during elimination period.

#### Policies Much Clearer

The policies have been considerably clarified, phraseology is much more concise and technical phrases have been eliminated wherever possible, with the result, it is believed, that it will be much simpler to adjust bona fide claims and the company will have less difficulty in contesting improper ones.

It is taken as a foregone conclusion that other non-can companies will follow the general principles laid down by these two leaders in the field.

### Fidelity Mutual January Leaders

H. J. Wilhelm, Pittsburgh, led the Fidelity Mutual field in first year cash premiums for January. Second and third place went respectively to Maurice Strauss, Newark, N. J., and M. E. Steinliber, Cleveland.

## Golden Year



H. B. HILL  
President Abraham Lincoln Life

H. B. Hill, president of the Abraham Lincoln Life of Springfield, Ill., will celebrate his 50th birthday next Sunday. That is his golden anniversary and the agents are stepping lively to get applications in his honor. Mr. Hill was born on a farm near Green City, Mo. He took a teacher's course at the Kirksville State Normal. He then started his career as a school teacher. He took a business course at the Gem City Business College at Quincy, Ill., and then went back to Green City to become assistant cashier in a bank. Later he became cashier, holding the position five years.

#### Started With the Bankers

He desired to enter life insurance and started with the Bankers Life of Iowa at Green City, carrying a rate book. After he had been in the field for three months he was made district manager at Quincy, Ill., taking charge of nine counties. During the year that he was in that capacity he wrote \$618,000 of personal business. He then became general agent for the Central Life, whose home office was at Ottawa, Ill. At the end of two years the Central Life transferred him to Springfield, Ill., where he operated a general agency for seven and a half years, producing \$5,000,000 of

business. In 1914 Mr. Hill and his associates organized the Commercial Health & Accident of Springfield and two years later its running mate, the Mutual Life of Illinois. The Mutual Life was converted into a legal reserve company and it reinsured the Commercial Health & Accident. The name was changed on Dec. 31, 1926, to the Abraham Lincoln Life. Last February the Abraham Lincoln took over the Springfield Life. It has \$86,000,000 life insurance in force and received more than \$400,000 in accident and health premiums last year.

## Kingsley Appears Against the Home Loan Bank Bill

Vice-President W. H. Kingsley of the Penn Mutual Life appeared before the senate banking and currency committee to oppose the modified Watson home loan bank bill. The measure, he said, will not strengthen the financially weak home owner nor avoid inevitable foreclosure. He expressed doubt whether the additional \$1,800,000,000 of government bond issues, which would be authorized, could be absorbed and if sold free of tax they would lessen federal income and depreciate existing securities as well as the fund to be issued to support the Reconstruction Finance Corporation and federal land banks.

The contemplated structure, according to Mr. Kingsley, would be expensive of operation and the \$2,500 initiation fee of 1 percent on total volume of home mortgages owned would be prohibitive.

Mr. Kingsley said that there is an over supply of modern homes purchasable at lower figures and on easier terms than could be applied to new houses. Hence new construction would cause further lower values, thus lessening security under mortgages now in good standing and probably necessitate additional foreclosures.

"The blood stream of the nation's body," Mr. Kingsley asserted, "is sufficiently saturated with infection at this time without increasing the real estate germs, which it is trying to absorb."

#### Would Restrict Expenses

ALBANY, Feb. 25.—The insurance department is sponsoring a bill providing that mutual life and casualty companies shall not expend more than 30 percent of their total earned premiums for management expenses in any one year. Expenses for investigation, adjustment, settlement of claims and for taxes are exempt.

## FIGURES FROM DECEMBER 31, 1931, STATEMENTS LIFE COMPANIES

	Total Assets	Capital	Surplus	New Bus. 1931	Ins. in Force Dec. 31, 1931	Gain in Ins. in Force	Prem. Income 1931	Total Income 1931	Benefits Paid 1931	Total Disburse. 1931
American Life & Acci...	553,807	105,000	60,957	22,952,240	14,822,902	—497,900	1,041,866	1,078,451	377,729	662,235
American Medical .....	385,898	187,000	64,305	4,359,114	8,559,614	3,179,614	221,393	261,561	2,531	188,475
American National, Tex.	47,681,787	2,000,000	5,206,615	175,907,954	542,084,101	30,914,290	12,740,527	16,227,327	6,216,042	12,040,772
American Savings, Mo...	1,419,604	270,000	329,929	8,062,559	15,112,954	—1,305,432	440,230	1,077,984	203,564	612,562
Brooklyn National .....	1,154,745	200,000	100,622	8,262,192	23,602,727	510,160	477,729	525,028	119,199	353,720
Connecticut General .....	154,176,245	3,000,000	173,153,517	1,201,621,469	27,918,143	41,697,689	30,613,136	41,697,689	21,620,948	21,097,802
Continental Assur., Ill...	16,859,459	1,000,000	2,279,658	33,624,036	151,929,723	6,044,571	3,779,658	4,532,816	1,523,399	2,170,072
Equitable Life of N. Y...	1,400,232,748	.....	59,765,749	767,466,695	7,090,962,853	—27,772,148	277,405,330	368,284,557	196,914,039	256,683,463
Federal Life, Ill.....	14,354,961	375,000	264,287	19,915,621	133,385,481	—11,151,861	2,936,916	6,814,087	1,872,362	5,820,201
Globe Life, Ill.....	3,408,153	100,000	244,598	7,507,100	31,518,965	339,271	827,219	1,004,835	348,713	683,540
Great Republic Life.....	5,292,425	250,000	152,299	6,822,374	32,597,432	—2,648,309	996,105	1,608,057	757,619	1,280,734
Great West Life.....	135,571,240	1,000,000	1,835,234	51,140,647	616,536,322	2,120,875	20,235,181	29,447,760	14,596,343	23,809,032
Hawkeye Life, Iowa.....	1,674,435	100,000	142,664	1,994,700	8,702,532	647,984	296,218	386,998	162,326	295,808
Lamar Life .....	9,750,496	300,000	*375,000	10,073,038	67,755,671	—3,323,895	1,867,526	2,481,158	1,147,676	1,906,360
Michigan Life .....	5,643,899	1,322,635	360,292	8,750,373	35,246,647	—1,086,329	936,644	2,205,351	478,878	1,439,141
Ministers Mut., Mass.....	751,842	.....	65,356	84,774	2,714,355	—129,690	101,941	147,222	109,380	133,342
Morris Plan, N. Y.....	1,782,276	525,000	813,127	32,505,339	32,552,579	—6,392,848	733,435	979,148	204,781	848,960
Mutual Life of Md.....	17,025,074	1,000,000	1,439,523	109,376,928	170,377,934	—258,193	5,795,104	6,667,972	1,859,293	5,167,732
National Reserve, Kan...	3,637,036	550,000	500,363	2,578,273	17,863,621	—929,127	680,313	921,953	230,408	519,623
North Amer. Life, Ill...	14,382,320	1,250,000	980,894	15,529,829	81,129,470	—259,603	2,126,323	2,661,728	1,592,626	2,917,365
Old Line, Neb.....	4,901,226	200,000	219,139	10,897,150	39,581,584	3,029,747	1,128,817	1,451,160	437,508	977,855
Oregon Mutual Life.....	11,453,634	.....	779,876	7,062,165	58,156,130	139,913	1,974,946	2,765,575	1,177,450	1,777,298
Pacific Natl. Life, Utah...	1,137,208	737,882	142,295	6,009,300	11,206,800	140,600	268,054	457,519	32,168	384,970
Pilot Life, N. C.....	13,624,766	1,000,000	100,000	.....	100,015,010	—2,528,234	.....	3,775,592	2,466,743	.....
Presbyterian Min. Fund.	20,997,142	.....	1,445,014	5,149,787	58,559,464	1,049,261	2,000,676	4,639,535	2,742,710	3,119,206
Pyramid Life, Mo.....	1,128,246	300,000	421,798	215,000	507,300	—46,800	23,835	167,554	6,006	60,843
Union Life, Va.....	272,957	25,000	39,686	.....	7,927,078	.....	1,032,920	1,040,000	403,070	982,796
United L. & A., N. H.....	8,087,743	500,000	246,678	7,132,104	53,233,088	—3,148,201	1,804,681	2,210,819	1,139,261	1,776,784
United Mut. Life, Ind...	26,174,487	.....	2,042,402	3,367,629	107,870,224	—3,464,879	8,122,406	6,832,428	3,090,169	3,752,968
West Coast Life.....	21,584,325	750,000	298,305	23,650,899	130,186,462	—2,849,937	4,716,004	6,109,447	2,032,997	4,796,731
Wisconsin Life .....	3,831,316	.....	230,613	4,442,974	27,512,013	1,947,768	799,914	1,102,965	461,172	695,600

\*Special contingency reserve, \$305,000.

†Includes \$175,000 contingency reserve.

‡Includes reinsurance of Wisconsin



# MISSOURI STATE LIFE INSURANCE COMPANY

St. Louis, Missouri

## Fortieth Annual Statement December 31, 1931

### ADMITTED ASSETS

Bonds .....	\$ 34,693,325.21
First Mortgage Loans on Real Estate .....	39,499,246.87
Real Estate .....	17,929,978.37
Real Estate Sales Contracts .....	4,233,460.03
Collateral Loans .....	2,341,381.87
Loans to Policyholders .....	42,309,259.79
Stocks .....	4,366,175.04
Premium Notes .....	775,557.00
Cash in Banks on Interest .....	530,459.70
Cash in Banks and Home Office not on Interest .....	900,588.00
Accrued Interest on Investments ..	2,637,383.86
Outstanding and Deferred Premiums .....	4,403,911.88
All Other Assets .....	323,622.32
	<b>\$154,944,349.94</b>

### LIABILITIES

Policy Reserves .....	\$139,304,871.99
Policy Claims in Process of Adjustment not Due .....	1,688,146.64
Premiums and Interest Paid in Advance .....	1,507,115.94
Dividends Left on Deposit with Company .....	1,541,169.82
Reserved for Taxes .....	430,476.33
Reserve for Real Estate and Mortgage Loans .....	1,220,218.24
All Other Liabilities .....	1,687,397.56
Apportioned for Policy Dividends ..	\$1,024,301.14
Contingency Reserve for Investment ..	500,000.00
Capital Stock .....	5,000,000.00
Surplus .....	1,040,652.28
Surplus for Protection of Policyholders .....	7,564,953.42
	<b>\$154,944,349.94</b>

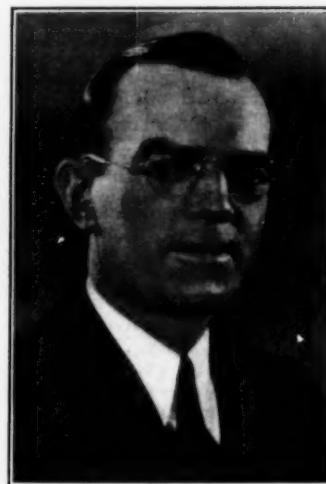
Insurance in Force, December 31, 1931

**\$1,124,983,380.00**



**A GOOD COMPANY TO REPRESENT**

## Advanced by Lincoln National



J. P. CARROLL



A. H. HAMMOND

The Lincoln National Life has appointed J. P. Carroll and A. H. Hammond superintendents of agencies.

Mr. Carroll joined the Lincoln National in February, 1930, as supervisor and a year later was appointed assistant superintendent of agencies. He has had wide experience both in personal production of business and in agency supervision.

Mr. Hammond has had more than 17 years' experience in life insurance selling and agency management and has made an enviable record as personal producer. He has been assistant superintendent of agencies for the past year.

### Detroit Banks Reported to Be Behind Many Surrenders

Detroit general agents and managers are concerned over the practice of certain bankers in urging insureds to liquidate their bank loans by surrendering their policies, using cash values to apply against obligations at the banks.

Sometimes, it is reported, much pressure has been exerted to cause policyholders to surrender. The life men have no quarrel with bankers who insist that their clients take out insurance to cover their obligations but when it comes to suggesting the surrender of old policies they believe the time has come to call a halt.

The banks, it appears, have often learned from trust companies the extent and character of the insurance carried and then have insisted that policies be withdrawn from life insurance trusts and either assigned to the banks as security for the obligations or have been surrendered, the banks getting the proceeds. In one case policies totaling about \$100,000 were withdrawn from a trust company and surrendered in this manner.

### Life Insurance Cyclone Cellar

TORONTO, Feb. 25.—"Life insurance has been the cyclone cellar for hundreds of thousands of people who saw everything else disappear over the horizon in the furore of the depression gale," said John Nelson, supervisor of public relations Sun Life of Canada, at a meeting of the Life Insurance Advertisers Association. Mr. Nelson explained the fundamental nature of insurance, and reviewed its development, first in respect to property and more recently in respect to the hazards of life.

### Suicide Verdict Halts Payment

A jury's verdict that Albert L. Kinsey, prominent Buffalo insurance and real estate man, committed suicide relieves the New York Life from paying \$95,000 on a policy held by the Marine Trust Company as security for a loan. Instead it merely refunds the premium of \$4,858 paid when the policy was purchased eight months before Mr. Kinsey's death.

### Average Size of Policy Was Larger with Bankers in 1931

Bankers Life of Iowa salesmen worked harder in 1931 than they did in 1930. This is evidenced by a statistical analysis of the business for 1931, which shows that the average application for the year was \$3,135 as compared to the average of \$3,524 in 1930. Thirty-one agencies had average applications greater than the average. J. E. Flanagan's Greater New York agency had the highest average application, \$6,742; the J. L. Atkins agency, Durham, N. C., was second high with an average application of \$6,223 and the DeForest Bowman agency in Chicago was third high with its average application of \$6,152.

### Two Speakers Announced

Harold R. Gordon, executive secretary of the Health and Accident Underwriters Conference, is now lining up the program for the annual meeting of the conference, to be held at the Edgewater Beach hotel, Chicago, June 7-9. Speakers so far announced are H. S. Don Carlos of the Travelers, president of the International Claim Association, and Henry Swift Ives, counsel for the National Association of Casualty and Surety Executives. Neither of these speakers has announced the subject of his address as yet.

The Cincinnati sales congress will be held March 4. The speakers will be C. Vivian Anderson, Roger B. Hull, Vincent B. Coffin, Oliver Thurman and Dr. Roscoe Scott.

### Full Advantage of Time Is Not Taken

Walter T. Shepard, vice-president Lincoln National Life, says: "A lot of men have 20-second minutes. Why? Because only one-third of their time is being effectively used in sales work. Some men have 50-second minutes. They are good."

## Chicago Life Association Stages Whirlwind Campaign

GOAL IS 250 NEW MEMBERS

Many Advantages of Association Membership to Be Presented in Campaign Feb. 27 and 29

A whirlwind membership campaign is to be put on by the Chicago Association of Life Underwriters Feb. 27 and 29, the slogan of which, phrased by Walt Tower, managing director, is "In Union There Is Strength." This is an intensive two-day drive in which 25 volunteers have assumed the task of addressing three agencies apiece. The large squad is under direction of P. B. Hobbs, agency manager Equitable of New York, and a goal of 250 new members has been set.

### Keyed to Three Ideas

The campaign is keyed to three ideas—legislation, advertising and twisting. Need of the National Association of Life Underwriters for strong support of local groups in gaining desirable legislation and discouraging adverse bills is emphasized. Cooperative advertising will lower public sales resistance, the Chicago association urges in a "broadside." The fight against twisters, rebaters and part-timers demands support of the association in the way of membership dues and active participation.

Other advantages are educational, through the monthly programs with noted speakers; the association library, life trust institute, seminar and C. L. U. courses; advanced underwriting ideas presented at sales congresses, and affiliations with the National and Illinois associations, Better Business Bureau, Chicago Association of Commerce, and benefit through work of the better practice committee.

The Old Line National of Denver is moving its offices to Independence, Mo. Marshall T. Jamison is manager.

## Cosmopolitan Man Has Novel Advertising Idea

The Cosmopolitan Life of Topeka, Kan., has written nearly \$750,000 of new business, accepting newspaper advertising in full payment of premiums.

A. W. (Bert) Logan, general agent, set out to write \$1,000,000 on newspaper men alone. Every week during 1932 over 200 newspapers will carry the message of the Cosmopolitan Life, mostly, however, in weekly papers. The company handles the business as a cash transaction, paying \$15,000 into the advertising department, and that department in turn paying premiums on the business written each month. There will be no cash outlay. By handling the transaction on a cash basis within the office the company is able to set up all proper reserves and handle the business the same as other business. It is the largest advertising program ever undertaken by a Kansas company.

## Greensboro Life Has Been Taken by the Home Security

GREENSBORO, N. C., Feb. 25.—

The Greensboro Life has been merged with the Home Security Life, Durham, N. C., and the business of the Greensboro company will be liquidated. The plans as announced state that B. T. Baynes, president, and L. G. McCabe, secretary of the Greensboro Life, will be retained as field officers of the Home Security and will have offices in Durham. The 60 field representatives of the Greensboro Life will also be retained for the present.

The Greensboro Life was organized by Mr. McCabe in 1923 as a mutual and in 1928 was capitalized at \$100,000 with \$20,000 surplus. Ordinary and industrial insurance is sold. Its special feature of insuring bank deposits will be retained by the new owners. At time of sale the company had about \$5,000,000 insurance in force. A. M. Moize is president of the Home Security and J. S. Hill is vice-president.

## Investment Angle Is Stressed

PHILADELPHIA, Feb. 25.—The investment angle of life insurance was stressed at the February dinner-meeting of the Philadelphia Association of Life Underwriters.

It was New England companies' night and executives from virtually every New England company were present at the speakers' table. P. M. Fraser, vice-president Connecticut Mutual Life, was the toastmaster. D. J. Bloxham, supervisor of agencies Travelers, talked on "Modern Viewpoint of Life Insurance."

### Life Insurance Endures Hard Times

He told of the various phases life insurance had gone through. "Prior to 1917 most life insurance was sold as a shock fund. Funeral, etc. . . . 1917-25 was the rosier period. People bought life insurance voluntarily . . . War risk insurance, influenza epidemic and salary increases all helped toward this . . . 1925-29 was the stimulating period. Companies used every means to create policies . . . To stimulate business . . . In 1929 something happened . . . Now we have an opportunity to do better than ever before . . . People looked around. Found the only thing of value the thing they had despised, life insurance. And life insurance as an investment entered the greatest era of life insurance selling ever seen."

He remarked that life insurance has endured the hard times of depression better than any other financial institution. "Not a single policyholder has lost a single dollar." The old habit of thinking of life insurance as an expense

still exists and "is sales resistance. But there is no resistance to what life insurance does. They're the things the people want."

James M. Blake, field service manager Massachusetts Mutual Life had "Here and There" for his topic. He likened buying of life insurance to shopping in stores. And pointed out that buyers in life insurance store, among other things, received clean-up package, estate settlement package, income package, educational package, partnership package, corporation package, three-generation-income package, and valued employee package.

### Unemployment of Dollars

Dewey R. Mason, assistant superintendent of agencies Aetna Life, spoke on the "Probabilities of 1932 for the Life Underwriter." He pointed out that the companies had the American experience table of mortality and asked why not "an American experience table of agents' mortality."

He declared he was proud to be in the life insurance business "even if I am the least effective, struggling agent of the smallest agency of the most insignificant company in the smallest town, I am still better than the most revered investment expert of the largest bank in the state."

He asserted that the probabilities for 1932 would be far greater if "we gave up analyzing the buying power of our prospects by our own insolvency. There is plenty of unemployment—but it's unemployment of dollars."

# New York Life Is On the Air

**T**HOUSANDS of congratulatory letters about our radio programs have been received. The purpose of these broadcasts is primarily to promote the conservation of insurance; and the Company hopes that life insurance, in general, as well as the New York Life will benefit.

The agents of all companies are invited to tune in on our programs every Tuesday evening on any of the following stations:

9:30 Eastern Time	New York	(WJZ)
" "	Boston	(WBZ)
" "	Springfield	(WBZA)
" "	Baltimore	(WBAL)
" "	Richmond	(WRVA)
" "	Rochester	(WHAM)
" "	Cleveland	(WGAR)
" "	Pittsburg	(KDKA)
" "	Detroit	(WJR)
" "	Cincinnati	(WLW)
8:30 Central Time	Chicago	(WENR)
" "	St. Louis	(KWK)
" "	Kansas City	(WREN)
" "	Council Bluffs, Ia.	(KOIL)



HOME OFFICE BUILDING

## NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE

NEW YORK, N. Y.



# GUARANTEE MUTUAL LIFE COMPANY

*A Mutual Legal Reserve Life Insurance Company*

**Omaha, Nebr.**

*Organized 1901*

## Thirtieth Annual Statement

**January 1, 1932**

### ADMITTED ASSETS

Bonds—State, County and Municipal...	\$ 8,444,282.15
First Mortgage Loans.....	2,764,315.35
Stocks .....	131,250.00
Home Office Property and Real Estate..	831,186.26
Policy Loans .....	2,712,035.42
Cash in Banks and Treasury.....	153,927.03
Accrued Interest .....	253,781.12
Deferred Net Premiums.....	854,810.10
All Other Assets.....	60,090.23
<b>Total .....</b>	<b>\$16,205,677.66</b>

### LIABILITIES

Net Reserve—Life .....	\$12,370,148.40
Reserve for Disability and Indemnity..	403,472.67
Reserve for Income Policies in Process of Payment .....	671,338.49
Reserve for Claims Awaiting Proofs....	72,454.00
Reserve for Taxes, Etc.....	247,298.52
Annual Dividends Apportioned.....	149,062.96
Advance Premiums and Trust Funds....	197,140.41
Investment Fluctuation Reserve.....	250,000.00
Contingency Mortality Reserve.....	638,681.05
Surplus .....	1,206,081.16
<b>Total .....</b>	<b>\$16,205,677.66</b>

### RESULTS—YEAR 1931

Claims Paid Since Organization (30 Yrs.).....	\$ 16,347,069.27
Claims Paid in 1931.....	1,748,522.77
Insurance in Force January 1, 1932.....	153,913,912.00
Reserve and Surplus Safeguarding Policyholders	14,618,383.28

## A Real Opportunity in the Following States for Live Men with an Aggressive Organization:

ARKANSAS  
CALIFORNIA  
DIST. OF COLUMBIA  
FLORIDA  
GEORGIA  
IDAHO  
ILLINOIS  
INDIANA  
IOWA

KANSAS  
KENTUCKY  
MARYLAND  
MICHIGAN  
MINNESOTA  
MISSOURI  
MONTANA  
NEBRASKA  
NORTH DAKOTA

OKLAHOMA  
OREGON  
SOUTH DAKOTA  
TENNESSEE  
TEXAS  
UTAH  
WASHINGTON  
WYOMING

*Write to F. A. Hicks, Superintendent of Agents, for  
Details of our Liberal Agency Contracts.*

## Waiver Only Plan Forecast for Group Disability Soon

### EXPECT STRICT LIMITATIONS

**Heavy Losses Forcing Companies to  
Protect Themselves in Line With  
Group Association Proposal**

NEW YORK, Feb. 25.—Group disability is practically certain to be on a waiver only basis within the next few months. Several leading companies already tentatively have agreed to follow the plan recommended at the Group Association meeting here Feb. 16.

This would eliminate entirely payments, either installments or lump sums, for total and permanent disability, and substitute a clause providing that an employee leaving service on account of total and permanent disability would have his group coverage continued for a specified time without charge. The period of this extended insurance would be equal to the time he had been employed, but in no case would it exceed 12 months.

### Variations Are Expected

Employees leaving for other causes than disability would, of course, have to convert to the ordinary life plan to continue their protection.

With some companies there will be minor variations. For example, one company plans to limit maximum period of extended insurance to three months where disability takes place after age 60. It is believed that this provision, which makes it necessary for an insured to die to collect, will effectually check the heavy losses companies have been suffering on group disability. While it is understood that a more liberal clause would have been preferred by some, the general feeling is that drastic steps are needed.

## Official Statement Denies Reports About the A. I. U.

The following statement was put out by Marie Williams Vandegrift, national vice-president and editor, American Insurance Union:

"We regret that erroneous and misleading stories have appeared in the local press to the effect that the American Insurance Union is in financial difficulties, that it is being reorganized and re-financed, that its future policies will be dictated by another life insurance organization in another city, and that another company has been organized by outside interests to which a large amount of A. I. U. insurance has already been transferred.

"These stories are both unfortunate and untrue. The American Insurance Union, Inc., organized by the late John J. Lentz over a year ago to place the more than \$100,000,000 of insurance held by the A. I. U., fraternal, on a full legal reserve basis, has already written over \$22,000,000 of insurance and is in an especially strong financial position. Its assets are almost entirely in U. S. government bonds, high grade municipal bonds and a large cash balance in various banks. No other company has been or will be organized to take over the insurance held by the A. I. U., nor has any organization been contemplated or even suggested.

"Equally untruthful is the statement in a local newspaper that the A. I. U. is embarrassed by the enormous cost of its magnificent building. The fact is that the A. I. U. Citadel is now 98.6 percent rented and that its net earnings for the A. I. U. are now at the rate of more than \$90,000 a year.

"The American Insurance Union is the largest taxpayer in Franklin county. It is also the largest customer of the Columbus post office. The reputation and standing of the organization

## Publicity Head



**W. T. PLOGSTERTH**

W. T. Plogsterth has been appointed director of publicity and field service for the Lincoln National Life. Mr. Plogsterth has been a member of the agency department of the Lincoln National for the past ten years, and for the past five years has been assistant superintendent of agencies, where his efforts have been devoted to sales promotion and agency work.

throughout the nation is such that we feel justified in making emphatic correction of these irresponsible and misleading rumors in the local press."

Another conference was held in Columbus this week in an effort toward harmony in the A. I. U., Inc.

## Important Topics Taken Up by Kansas City Actuaries

KANSAS CITY, MO., Feb. 25.—Approximately 100 attended the meeting of the Actuaries Club of Kansas City at the Kansas City Life auditorium to hear J. C. Higdon, vice-president and actuary Business Men's Assurance, talk on "The Rate of Morbidity"; Dr. J. W. Wear, vice-president and medical director National Fidelity Life, on "Inter-Departmental Relationship Between the Medical and Other Departments of a Life Insurance Company"; O. Sam Cummings, Texas manager the Kansas City Life, "The Benefit to the Field Force of Intercommunication and Close Cooperation by the Various Departments of the Company"; and Dr. H. A. Baker, Kansas City Life medical director, "Numerical Ratings in the Selection of Risks." J. A. Budinger, associate actuary of the Kansas City Life, conducted a question box.

J. B. Reynolds, president of the Kansas City Life and of the club, announced the appointment of a committee on arrangements for the entertainment of the American Institute of Actuaries here in June. The committee consists of J. C. Higdon, F. E. Young, vice-president and actuary National Fidelity Life; F. S. Withington, secretary and actuary Midland Life, and Mr. Budinger.

W. T. Grant, president Business Men's Assurance, presided.

### Charles M. Trinnier's Change

Charles M. Trinnier, who has been associated with the Home of New York agency in Detroit, has been appointed assistant manager of the Detroit branch of the Missouri State Life under Manager C. E. Waddell. He succeeds A. W. Hostetler, who resigned recently to become agency organizer of the Detroit branch of the Mutual Life of New York.



## G. A. Eubank Comes to Defense of Protection Factor of Insurance

The following communication is from Gerald A. Eubank, general manager for Johnson & Higgins, who are general agents for the Prudential:

"A recent editorial in your publication, later followed with articles by J. Elliott Hall, general agent for the Penn Mutual Life, and Leon Gilbert Simon, agent for the Equitable Life of New York, in which agents and proponents of low premium life insurance are criticized, prompts me to briefly set forth the views of one agent who thoroughly believes in the importance of life insurance as protection, irrespective of commission return to the agent.

"The present economic situation offers a wonderful opportunity to stress the safety and attractiveness of the investment feature of life insurance, but with so many incomes reduced, and with so many estates depleted, there is also a crying demand for those forms which provide a large element of protection per dollar of initial premium.

### What Dignity Demands

"Does anyone mean to suggest that the man to whom protection is, for the time being, of paramount importance, should be compelled to forego some of that protection because the dignity of our profession demands that the investment element be declared standard equipment?

"Are we to be permitted to go on believing that the real object of our profession is to provide a better living for the beneficiary, or should we believe that our sole object is to provide a better living for the agent?

### Paid Twice as Much

"My own company has recently paid a \$20,000 claim in a home in which if one critic had had his way, only \$10,000 would have been in force, although the agent would have received approximately the same commission. The agent who sold the insurance selected our Modified Five contract, feeling that instead of deferring the purchase of the second \$10,000 until an indefinite later date, it would be better to defer the investment element, for, as he said to the prospect, 'You won't have to pass a medical examination in order to open the investment account.' Would any great moral victory have been gained for the institution of life insurance by cutting the protection in half in order to include the investment feature in the policy at the start?

### Commissions and Service

"The writer of one of the articles refers to these low rate policies as 'an actual menace to the business.' May I suggest that the greatest menace to our business is the agent who thinks in terms of commissions rather than in terms of service to the beneficiary?

"He accuses companies of resorting to tricky names for the policies to which he objects. I am quite sure he knows that these names were devised as a matter of convenience, and I am also inclined to believe that his accusation of trickery was devised for the same reason, as was also his claim that 'when the companies put these new policies out they were simply admitting to themselves that their selling forces lack real sales ability.'

### May Also Abuse Privilege

"Term insurance has its place. Sometimes it must stand alone, and sometimes it can be used to supplement other forms of insurance. And there are some situations which call for the combination of a standard form of policy with a term element which is made a part of the basic contract for the simple reason that it could not or should not be issued alone.

"I'll admit that some of the agents who are given the privilege of selling these low cost policies may, at times,

stress the low price for which a policy may be bought rather than the large amount of protection which these policies make available, and I will admit that in such cases, the probability of the insurance remaining in force to the death of the policyholder is somewhat lessened. The experience of my own company, however, has shown that cases of this sort represent a very small fraction, and indicates that twice as much of our Modified Life Five will be carried past the sixth year when the increased premium is payable than would have been converted into permanent forms had the original insurance been placed under a term policy. Taking the aggregate of all forms of insurance for which the Modified Life Five has been substituted, we find that there has been a substantial increase in permanency due to the adoption of the Modified Five plan.

"Mr. Simon says in his article these cheap rate policies lead to some absurd conclusions. They certainly do, Mr. Simon. They certainly do."

## Outlook for Fraternal Is Hopeful, H. W. Hanson Says

ILLINOIS OFFICIAL SPEAKER

### Sound and Solid Societies, He Declares, Will Be Backbone of Structure Hereafter

Superintendent Hanson of Illinois in his address before the National Fraternal Congress at Chicago Monday expressed the opinion that the fraternal system is not in danger because of modern insurance plans.

"Safety and adequacy," Mr. Hanson said, "will never ruin any system. Sound and solid societies will be the backbone of the fraternal structure in the future. With its certificates backed by proper and adequate reserves there is no conceivable reason for fraternal societies to not be the strongest and most practical force in making us a nation of home owners, prosperous and happy in knowledge of our security."

Mr. Hanson told of the fraternal, which during the war raised a special fund of about \$3,000,000 to pay bene-

ficiaries of its insureds, who died in the war, despite the fact that fraternal policies contained a provision excluding liability for insurance maturing by reason of the insured engaging in military or naval service.

Mr. Hanson said that the fraternal societies are in the midst of readjustment, which has been disturbing to the public, but he believes in the future of the system.

The superintendent paid his respects to insurance racketeers. "I do not propose to subscribe to the tactics of these racketeers," he said, "and I have and shall continue to avail myself of the pressure of this office to combat the degeneration of ultimate extinction of the high and laudable standards of this business."

### Disturbed by Blind "Ad"

Some of the Missouri life insurance men are disturbed at the appearance in the Kansas City 'Star' of a blind advertisement under the caption "Business Opportunities," which reads: "Cash for insurance policies in default for non-payment of premium."

Although details of the scheme are not known, life insurance men surmise that it involves practices not in the best interests of life insurance.

# ASSISTANCE



## CONTINENTAL CASUALTY • ASSURANCE

CHICAGO

COMPANIES

ILLINOIS



### Complete sales cooperation

Continental facilities embrace more than the usual service to field men.

A broad range of modern coverages enables all agents to service practically every need. Supporting this salable merchandise is the personal cooperation of department heads, the seasoned advice of experienced executives, practical sales help and profitable, proven, effective advertising assistance.

Continental sales cooperation, like Continental DURABILITY, is complete.



## The Safest Place For Savings Funds

The money you put into our Life Income plan insures your life and earning ability during the years your family is most dependent upon your earnings.

The cash value accumulates rapidly. At maturity it can be taken in one payment or as a monthly life income.

The safest, quickest and most conveniently accumulated asset you can create.

**Connecticut General  
Life Insurance Company**  
Hartford, Conn

### Prescribe Exactly

No doctor would offer the same prescriptions to all of his patients. An agent too should be able to choose from a wide variety of contracts in order to make his economic prescriptions exact.

Send for booklet  
"The Company Back of the  
Contract"

### Fidelity Offers That Variety

Policy forms to suit modern needs; Low Rate Life. Family Income and the famous "Income for Life" which Fidelity originated. Disability benefits — income and waiver of premium. Accidental death benefits. Back of its contracts is a record of more than half a century of fair dealing.

**The FIDELITY MUTUAL LIFE  
INSURANCE COMPANY**  
PHILADELPHIA  
WALTER LEMAR TALBOT, President

## Investment Element Analyzed

Investment features of life insurance were discussed at the round table conference of the annual Wharton Alumni Institute of Business at the University of Pennsylvania by M. A. Linton, president of the Provident Mutual Life, and W. A. Law, president of the Penn Mutual Life. Mr. Law drew largely upon the investment address which he delivered before the annual meeting of the Life Presidents Association and which has been widely quoted.

Mr. Linton dwelt on a subject which is close to him—the integral part of investment in life insurance. He said the average man should carry life insurance because it provides a well balanced combination of longtime accumulation and protection against the consequences of premature death. The average man needs these two services, he said, and hence life insurance for him has a distinct investment value. The protection element, he pointed out, is like fire insurance and the investment is like a savings fund. Combining the two and considering the total premium as an investment leads to erroneous conclusions, he observed.

It is possible, Mr. Linton added, to purchase bare term insurance and to invest additional sums regularly in bonds, stocks, mortgages, etc. This process would duplicate quite closely the life insurance contract, he said, if the separate term contract were reduced and the separate investment fund increased.

#### Better Policy Cited

But, Mr. Linton said, it is better to entrust the investment element to a life insurance company, which with its conservative investment policy, widespread in type and number of investments, affords remarkable security. Losses are

spread over a large base and bear lightly on any individual. It is safeguarded by rigid supervision of insurance departments.

Availability of life insurance cash values as a source of emergency funds has at times exceeded that of government bonds, he pointed out. The investment feature is guaranteed against depreciation by the resources of the entire company. Its outstanding strength and its guaranteed par character are the characteristics that make it valuable in time of need.

The individual is free from investment worry and from the hazard of having to reinvest the maturing principal. The life insurance investment fund has its advantages from the point of view of taxation. It provides a continuous urge to save, counteracting the natural tendency to use accumulated funds for temporary, unimportant purposes.

#### Comparison Is Made

If the individual should carry separate term insurance and a separate savings fund, the separate fund must earn at least 5.34 percent compound interest in order to duplicate cash value at age 65 of ten important mutual companies.

Term insurance cannot be supplied as cheaply under a separate term policy as in connection with the savings fund element. Overhead costs bear heavily on the relatively small term insurance premium and there is adverse selection against the company.

Life insurance has no get-rich-quick schemes to offer, he said. Its outstanding characteristics are invaluable protection, positive security and an investment feature yielding a fair return with extraordinary availability at par in times of stress.

### Vigorous Manager of Country Life Active



L. A. WILLIAMS

L. A. Williams, general manager of the Country Life of Chicago, is one of the most energetic and enthusiastic company officials. He has developed into a born leader. He has had a splendid life insurance education. He entered the business at Ottawa, Ill., as an agent for the Equitable Life of Iowa in 1911. Two years later he went with the Northwestern Mutual as an agent. In 1916 he took the general agency for the Equitable Life of Iowa. He was with the Northwestern Mutual a second time in Kansas City until 1926, and then returned to the Equitable Life of Iowa as agency manager in Chicago, continuing until he resigned to organ-

ize the Country Life in December, 1928. Mr. Williams carries with him the high principles and conservatism of his two former companies. He has incorporated in the Country Life some of the ideas and methods that have proved successful with the Equitable and the Northwestern Mutual.

#### Pride in Non-medical Business

Mr. Williams takes particular pride in reviewing the non-medical business of the Country Life. At the end of three years it emerges with \$44,000,000 of business of which \$6,000,000 is on children under 15 years of age. It has had a mortality experience of 11 percent on its juvenile insurance. Its lapse ratio was less than 10 percent in 1931 and 5 percent in 1930. Mr. Williams does not take agents from other companies. He develops men who will follow the Country Life's program.

### Arnett Now Agency Director of the Inter-Southern Life

LOUISVILLE, KY., Feb. 25.—C. G. Arnett, former president of the Inter-Southern Life, who was named chairman of the board at the annual meeting in early February, has also been assigned the post of director of agents, or agency director, a post formerly held by M. W. Heitzberg, who was formerly a director and vice-president. Mr. Arnett some years ago held the same post for the Missouri State Life.

#### O. H. Shepard Dies

O. H. Shepard, who in 1910 became an agent of the Penn Mutual Life in Rochester, N. Y., and who served in 1923 as president of the Rochester Life Underwriters Association, died last week. He was formerly secretary to State Treasurer P. B. Dunn and State Senator W. W. Armstrong.



## Hoarding Halts Return of Prosperity—Macaulay

If it were not for the hoarding of currency by people who are afraid to put their money in banks or to invest it in other ways, prosperity would already have returned, President T. B. Macaulay of the Sun Life of Canada believes.

Mr. Macaulay made the suggestion that the Federal Reserve Bank buy government bonds in the open market, thereby making available commercial credits up to ten times the amount of the gold released by the Federal Reserve. If this were done on a large enough scale, Mr. Macaulay said, it would counteract the currency constriction caused by money hoarding and would make credits both cheap and easily available.

"People have become afraid of banks and stocks in the United States," Mr. Macaulay said. "They keep their savings in safety deposit boxes. The total so hoarded is now about \$850,000,000 and it is being added to each week. I believe that if this money were not hoarded, if it were available as a backing for credits and for business purposes, we would already have returned to prosperity."

"It is extraordinary what vast sums are being swallowed up by the hoarders and made useless for business purposes," Mr. Macaulay said. "Last week, according to banking returns, \$98,000,000 in new currency had to be issued in the United States. The week previous the amount was \$42,000,000 and the week before it was \$62,000,000. There was no business revival to justify the issuance of these new bills. It merely meant that money was being hoarded, lost to the world like buried gold."

## New Hampshire Figures Given

Total premiums received by life insurance companies operating in New Hampshire in 1931 amounted to \$13,295,807 as compared to \$12,991,165 in 1930, according to the report of Commissioner Sullivan. Insurance in force in New Hampshire amounted to \$379,368,649 and New Hampshire policies issued in 1931 amounted to \$57,572,012.

## Ontario Equitable Promotions

The Ontario Equitable Life & Accident has promoted M. J. Smith to general manager, and G. W. Geddes to assistant general manager. Mr. Smith has served the Ontario Equitable as secretary practically since its inception in 1920, his insurance experience covering over 20 years. Mr. Geddes has been the company's actuary since 1925, prior to which he was with other life companies in both the United States and Canada.

## "Index" Moves to Chicago

The "Insurance Index," which has been published in New York City, has moved its headquarters to 330 South Wells street, Chicago. It was purchased in the fall by J. E. Dunne. W. E. Underwood of New York remains as editor. C. W. Dunne, son of J. E., is the advertising representative, being located in Chicago. R. L. Heaton is manager.

## Partnership Needs Reviewed

Smaller partnerships and corporations have not sufficiently been solicited by most agents, although they need the protection more than the larger ones, Herbert Adam, associate counsel Penn Mutual, told agents of the Stumes & Loeb general agency of that company in Chicago in a talk on business insurance. An interesting round table discussion developed at the meeting, particularly relating to post-mortem agreements. Mr. Adam recommended that no business insurance be written without the post-mortem agreement unless the insurance

is made payable directly to the corporation as corporate funds. The agreement is vital in any stock retirement plan based on life insurance, as otherwise the officers are handicapped in administering the life insurance proceeds by lack of instructions.

## Connecticut Mutual Meeting

Meetings of the three Chicago agencies of the Connecticut Mutual were addressed by P. M. Fraser, vice-president; Dr. C. B. Piper, medical director, and L. R. Martin, secretary. Mr. Fraser also held a two-day meeting with farm loan inspectors and spent considerable

time in Milwaukee and Madison, looking over possibilities of the Wisconsin territory, where the Connecticut Mutual is not entered.

## Denson Mississippi Manager

J. Lee Denson of Jackson, Miss., has been appointed state manager of the American Life of Birmingham. He was formerly engaged in educational work. He first became interested in the life insurance in October, 1930, and in the short interval that has passed since that time he has climbed to state manager. From Oct. 3, 1930, to Dec. 31, 1931, Mr. Denson accounted for applications totaling \$1,471,500.

## Fifteen Year Record in Daily Applications

Agent Eugene Benoit of the Great-West Life at St. Hyacinthe, Quebec, claims to hold the world's record for applications received. He has obtained one or more applications for every working day of the year for 15 years. Mr. Benoit secured 324 applications in 1931.

# The February Horoscope

The Amethyst is the February birth stone. The birth flower is the Violet, and the virtue of the month is Sincerity.

People born in February have a great deal of natural ability in certain directions. Literary talent is particularly marked; medicine and the law also claim a good many February men.

February persons usually have a magnetic, attractive personality which makes them ideally fitted for salesmanship.

Frequently, however, February persons lack complete frankness with themselves and others. Above all else it is important that you learn to be sincere and you should try to cultivate evenness of mind and temper.

Famous persons born in February are Washington, Lincoln, Dickens, Ruskin, Jules Verne, Lamb, Galileo, Lowell, Cicero and Longfellow.

The stars omen well for 1932. Opportunities will abound for all. Some will succeed in the New Year and some will just get by. It is for you to choose.



## Royal Union Life Insurance Company

Des Moines, Iowa

A. C. TUCKER  
Chairman of the Board

J. J. SHAMBAUGH  
President

## Sales Possibilities Undeveloped in Maryland!

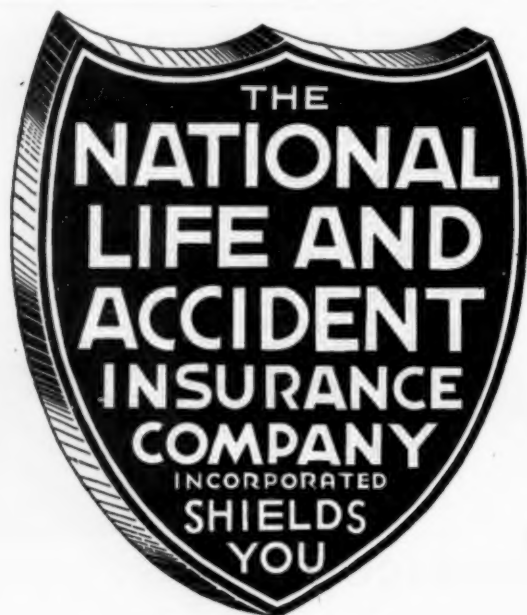
We Have Some of the Best Counties in the State Open!  
Generous Contract—Full Policy Service  
Sincere Home Office Cooperation

Let Us Tell You Which Are the Best Counties and Why.

George Washington Life Insurance Company

CHARLESTON, WEST VIRGINIA  
HARRISON B. SMITH, President





## ENTHUSIASM

Spirit and enthusiasm, the greatest assets in the world, have helped build The National Life and Accident.

That spirit which distinguished this organization is noticeable not only in the Home Office but also in the 3,000 Shield Men located throughout the country. There is no doubt about the present spirit of the National Life & Accident family. It was never finer.

It's this spirit which helps Shield Men to success. It pays to be a Shield Man.

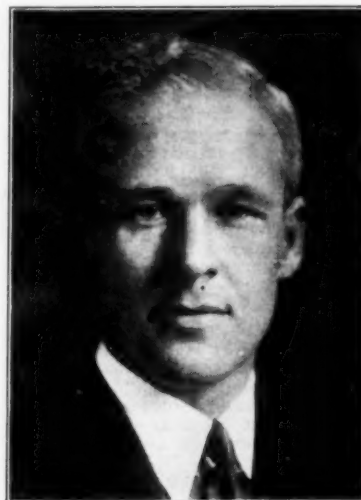
*The* **NATIONAL LIFE AND ACCIDENT INSURANCE COMPANY INC.**  
NASHVILLE TENNESSEE  
*Tune in WSM*

## LIFE AGENCY CHANGES

### Name deForest at Buffalo

Agency Assistant of Aetna Succeeds Smith, Who Remains Assistant—Powell Quits at Erie

John W. deForest, assistant superintendent of the Aetna Life, has been appointed general agent at Buffalo, effective Apr. 1. H. W. Smith, general



JOHN W. DE FOREST

agent at Buffalo since January, 1924, will continue there as assistant general agent.

Mr. deForest, a native of St. John, N. B., Canada, started in business as superintendent of construction with the Raymond Concrete Pile Co., New York. After war service in the British army, he renewed his connection with the Raymond company, then in 1920 became associated with the Travelers. He became in succession field assistant at Chicago, member of the home office agency staff, and then assistant superintendent of agencies, in which latter capacity he was engaged chiefly in development work among the north-central states and in Canada.

He resigned from the Travelers early in 1930, joining with the agency division of the Aetna under Vice-President Luther. There, as assistant superintendent of agencies, he has been active in agency development work and in building accident and health business.

New organization plans for Buffalo include absorption of the company's general agency at Erie. W. P. Powell, general agent at Erie since May, 1929, has resigned effective March 1 to engage in personal production with the A. G. Deer general agency at Jacksonville Fla.

### P. O. Colson

P. O. Colson, field manager of the western Pennsylvania department for the Reliance Life of Pittsburgh, has been appointed manager of the Ohio department, with headquarters in Cleveland. For five years Mr. Colson has been organizing the western Pennsylvania territory outside of Pittsburgh for Manager H. T. Burnett. He joined the Reliance Life at Poplarville, Miss., in 1920. Before going to Pittsburgh, he was supervisor for two years in the Iowa-Nebraska department, with headquarters in Omaha.

### Ivan U. Snyder

Ivan U. Snyder has been appointed general agent for the Guardian Life at Lincoln, Neb. He formerly worked in Lincoln for H. O. Wilhelm & Co., state managers for the Northwestern National Life.

### Changes Made by Travelers

Number of Promotions Are Announced Affecting Agencies in Various Sections of the Country

A number of changes in branch office staff personnel has been announced by the Travelers.

O. C. Hutchinson, formerly manager of the Fourth street branch office in Philadelphia, has been transferred as manager to the Central City office in that city. R. O. Cupp, formerly manager at Camden, N. J., succeeds Mr. Hutchinson. George M. Durgin, assistant manager at the Fourth street office, has been promoted to manager at Camden. Guy O. Andersen, who has been in charge in Duluth, Minn., as assistant manager, has been made manager. L. L. Stanberry, who has been associate manager at Rochester, N. Y., has been made manager, succeeding R. D. Case, retired. W. W. Frye has been promoted from assistant manager at Des Moines to manager at Sioux City.

### C. F. King, J. J. Smiley

In line with its aggressive campaign of development, the Buffalo Mutual Life, formerly the Buffalo Life Association, has made two appointments in the Ohio field. C. F. King of Columbus, for some time agency supervisor for the American Insurance Union, will be district manager for Columbus and vicinity, and will open an office in that city shortly. Mr. King has had a thorough life insurance training and was for several years with the Metropolitan in agency supervision work.

J. J. Smiley of Dayton, who has been a large personal producer for two years, has been made district manager for Dayton and vicinity. He was for a number of years production manager of the Frigidaire company, is a native of Dayton and enjoys a high standing there.

### M. M. Waddle & Son

M. M. Waddle & Son, general agents at Los Angeles for the past two years for the Great Republic Life, have resigned that connection and are now representing the United Mutual Life of Indianapolis, as state managers for California, with offices in the Wm. Fox building, Los Angeles.

### G. S. Fox, W. B. Schmitt

The Pan-American Life announces the appointment of G. S. Fox as manager at Cincinnati and W. B. Schmitt as manager at Aurora, Ill.

### W. T. Ratliff

W. T. Ratliff, who has been unit manager for the Equitable of New York, has joined the Volunteer State Life of Chattanooga as manager at Birmingham, Ala. He has been in the life insurance business 15 years and is the son of a life insurance man.

### A. A. Dickinson

The Guardian Life of New York has appointed A. A. Dickinson manager of its agency at Birmingham, Ala. O. E. Stewart continues as associate manager. Mr. Dickinson had been for years special agent for the Equitable of New York with the Birmingham agency of G. T. Sibley & Son.

### Life Agency Notes

The American Life of Denver is opening a Kansas City branch in the Exchange building, Kansas City, under the management of Russell G. Derry.

The Massachusetts Mutual Life has opened a branch office at Niagara Falls, under J. B. and L. G. Thebaud, general agents at Buffalo. J. P. Hancock will be manager of the Niagara Falls branch.

## GALLEY PROOFS

The best definition of the psychology of good salesmanship, according to H. G. Kenagy, Life Insurance Sales Research Bureau, came to him when in college. An old negro mammy made a wonderful hash at the boarding house. Mr. Kenagy asked the mammy to tell him how she made such hash, if it was not a secret. The colored cook said, "It tain't the meat, nor the taters, nor the onions, but when I jest throws myself into it that's what makes it so delectable."

\* \* \*

Life men find that there is still an increasing demand for annuities and investment forms. Many people that are hoarding their money are attracted by any provision that will create a retirement fund or will give a reasonable return on their money. In a recent experience in one of the cities where a main burst and the water flooded the basement of a bank where its safety deposit boxes were located, it was necessary to call in the box holders, asking them to open their boxes to see whether there had been any damage from the water. This was in a medium sized bank and it was discovered that there were upwards of \$500,000 left in the safety boxes and perhaps more that was not revealed. While agents are not receiving as high commissions on annuities they find that the sales resistance is much less on these forms and hence are not hesitating to present them. Some agents ascertaining that prospects are not insurable and have been declined present the alternative of purchasing an annuity. People at large are greatly interested in any avenue where they can place their money if they are assured of real security.

\* \* \*

At last the why of vice-presidents is out. Peter M. Fraser, vice-president Connecticut Mutual Life, "let the cat out of the bag" when, as toastmaster, he informed the February dinner-meeting of the Philadelphia Association of Life Underwriters that "if it were not for underwriters' meetings, vice-presidents would have nothing to do."

\* \* \*

The popularity of the retirement income idea is demonstrated by the Phoenix Mutual Life's advertising. When this type of advertising was first adopted, a simple picture of a man fishing and the offer of an income to retire on, sold over three times as much insurance as previous advertisements.

### Lincoln National's Meeting

Honor Field Men in the East Attend Conference This Week at Atlantic City

ATLANTIC CITY, Feb. 25.—More than 70 honor field men of the Lincoln National Life attended the eastern sectional meeting here this week. The feature of the meeting was a one-act play, "What Price Policy Loans," written by L. L. McAllister of the Pilot Life of Greensboro, N. C. Members of the cast were recruited from the home office and agency force.

The morning session of the first day was opened by Vice-president Shepard, who discussed the trend of the times in life insurance selling. He was followed by A. L. Dern, manager of agencies, who gave an address entitled "It Is the Dawn." F. J. Travers, manager of the investment research division, told of the record the Lincoln National is making in these times with a talk "The Investments of Our Company." New and unusual underwriting slants, especially those touching "jumbo" risks, were discussed by C. F. Cross, assistant secre-

tary, under the subject "Underwriting Problems Arising from Changed Economic Conditions." A talk on "Why a Daily Report" was given by A. H. Hammond, superintendent of agencies. A discussion of "Some Thoughts on Bringing About a Favorable Rate of Persistency" discussed by C. B. Jordan of Fort Wayne and G. F. Lofthouse of Detroit, both leading field men, closed the first day.

#### Second Day's Program

The morning of the second day was opened with an interesting presentation of the highlights of medical underwriting, "The Human Side of Selection," by Dr. W. E. Thornton, medical director. "The Opportunity for Investment Contracts" was treated by W. T. Plogsterth, director of publicity and field service.

The afternoon session began with "Our Competitive Position Today" by W. A. Jenkins, assistant actuary. H. C. Lawrence, general agent at Newark, N. J., and H. T. Cooke, unit manager at Fort Wayne, brought out their personal experiences on "The Sales Presentation I Find Most Effective Today and Why." The great advantage of income insurance secured for a reasonable premium outlay was pointed out by J. P. Carroll, superintendent of agencies, in his discussion of "Our Family Income Policy."

A banquet with presentation of awards to outstanding Lincoln National producers headlined the evening of the second day. Rabbi Jacob Tarshish of the Temple Israel, Columbus, O., was the guest speaker. The third day was given over to special round table discussions.

Those of the home office in attendance were W. T. Shepard, vice-president; A. L. Dern, manager of agencies; Dr. W. E. Thornton, medical director; W. T. Plogsterth, director of publicity and field service; J. J. Klingenberg, assistant secretary and auditor; J. P. Carroll, superintendent of agencies; A. H. Hammond, superintendent of agencies; C. F. Cross, assistant secretary; F. J. Travers, manager of investment research; W. A. Jenkins, assistant actuary, and F. L. Fisher, advertising manager.

#### Redating, Reissue Plan Used

A special conservation plan has been inaugurated by the Great-West Life of Winnipeg, in an effort to minimize the lapsation and surrender of policies on which there are heavy loans.

The scheme is based upon the redating and reissue method which has been successfully applied by the Great-West Life to the reinstatement and adjustment of lapsed policies.

#### Expects \$10,000,000 in February

New February business of the Bankers Life of Des Moines passed the \$5,000,000 mark Feb. 15 and every indication points to a production of at least \$10,000,000 for the month, which has been set aside as a special honor month for Elbert Storer, Bankers Life agency manager at Indianapolis and president of the National Association of Life Underwriters.

#### LATE ASSOCIATION NEWS

Tulsa, Okla.—Elbert Storer, Indianapolis, president of the National Association of Life Underwriters, spoke at a banquet given in his honor by the Tulsa association. The event attracted a large number of insurance men from cities other than Tulsa, including a delegation from Oklahoma City headed by George E. Lackey, former National president.

\* \* \*

Kansas City, Mo.—More than 100 members of the Kansas City association heard W. B. Burruss, some years ago general agent here for the Provident Mutual, but for several years a sales engineer in New York, talk on "Meeting 1932 Problems with 1932 Methods." Mr. Burruss will conduct sales schools here March 2-4. The association has amended its by-laws to take in bank and trust company representatives as associate members.

## FIGURES THAT SPEAK FOR THEMSELVES

### ASSETS

Mortgage Loans (First Liens) .....	\$3,590,529.10
Real Estate (Including Home Office Building) .....	1,491,182.94
State, County, Municipal and U. S. Government Bonds .....	1,718,045.34
Railroad, Public Utility, Industrial Bonds....	324,095.06
Loans to Policyholders .....	553,861.24
Cash in Banks and Office .....	359,522.23
Accrued Interest on Investments .....	126,288.95
Premiums in Course of Collection.....	648,025.54
Accounts Receivable .....	54,165.11

Total Gross Assets .....\$8,865,715.51  
Less Deductions ..... 214,078.17

Total Admitted Assets .....\$8,651,637.34

### LIABILITIES

Life Insurance Reserves .....	\$4,803,632.43
Accident and Health Insurance Reserves.....	2,493,822.66
Reserve for Taxes .....	130,000.00
Special Contingency Reserve.....	20,000.00
Premiums Paid in Advance.....	5,529.92
All Other Liabilities .....	91,241.57
Capital Stock .....	\$500,000.00
Unassigned Surplus .....	607,410.76

\$1,107,410.76 1,107,410.76

Total Liabilities .....\$8,651,637.34

Admitted Assets, December 31, 1931,  
\$8,651,637.34

Life Insurance in Force \$93,693,250.00

Benefits Paid Policyholders Since Organization  
\$25,971,199.52

## BUSINESS MEN'S ASSURANCE COMPANY

W. T. Grant, President

Kansas City, Mo.



## Summary of 28th Annual

## STATEMENT

Assets	-	\$23,907,126.86
Policyholders' Surplus	1,818,730.44	
Insurance in Force	145,251,356.00	

## DISTRICT MANAGERS WANTED

Charlottesville	Virginia
Roanoke	Virginia
Winston-Salem	North Carolina
Raleigh	North Carolina
Savannah	Georgia
Columbus	Georgia
Miami	Florida
Mobile	Alabama
Meridian	Mississippi
Shreveport	Louisiana
Texarkana	Arkansas
Little Rock	Arkansas

## A FINE COMPANY TO WORK FOR

**THE VOLUNTEER STATE LIFE**  
**INSURANCE COMPANY**  
 Chattanooga, Tennessee

## AS SEEN FROM NEW YORK

By R. B. MITCHELL

## NOVEL BILL IS FILED

Savings banks of New York under a bill introduced in the legislature by J. S. Hastings of Brooklyn, amending insurance and banking statutes, would be permitted to adopt resolutions to organize life companies if they have undivided profits of \$100,000 unallocated to dividends. The bill specifies that non-medical policies could be written on the participating plan on men and women 18 to 65, and not over \$1,000 on a single life. Payment of commissions for placing business is prohibited. Policies could be cancelled within one year of the date of issue after medical examination.

\* \* \*

## NEW YORK CITY AGENCY'S WORK

The Wells, Meissel & Peyser agency, New York City representatives of the National Life of Montpelier, produced 66 percent more business in January than in January, 1931. J. M. Berk of this agency led the entire sales force of the National in personal production, and Edgar Rosenthal headed the Leaders Club. This agency was outdistanced only by the Cleveland agency in paid production for the month.

\* \* \*

## AYCOCK'S GOLF RECORD

Tommy Aycock of the F. W. Pennell agency of the State Mutual Life in New York City established what is believed to be a world's record for consecutive birdies on a single nine. On a recent trip to Florida he clicked off seven of them in a row on the first nine of the Timuquana country club. Bobby Jones has a record of seven consecutive birdies but they overlapped from the first nine to the second. In making his birdie score, Mr. Aycock also established a new course record, 29-35-64. He is former national intercollegiate champion and Florida state amateur champion, and the present city champion of Jacksonville, which was until recently his home. State Mutual golf fans are looking forward to the next company convention and the possibility

that Mr. Aycock may be matched against Ray Gorton, State Mutual representative in Boston, who was runner-up to Bobby Jones a number of years ago in a national tournament.

\* \* \*

## WHOLE TIME TO ANNUITIES

One of the Connecticut Mutual's biggest producers in New York City is devoting his time entirely to the sale of retirement annuities. When he found it was paying him better than any other policy he was selling, he decided to give not only a large part of his time but all of it to this one line. The result has more than justified his expectations. A surprisingly large number of contracts have been issued with an age 55 retirement provision, particularly to younger men. Several years ago it would have been almost impossible to give this type of policy away, but the insecurity of most other types of investment has changed the minds of a good many people, who now realize that the only sure way to build up a retirement fund is through systematic saving.

\* \* \*

## METROPOLITAN'S NEW BUILDING

The Metropolitan Life announces that the construction of the first unit of its new \$10,000,000 home office building will be completed by April 1. Completion had been promised for Aug. 1.

\* \* \*

## MUTUAL LIFE'S NEW OFFICE

In line with its recently completed plan of spreading its operations through the various business zones of metropolitan New York, the Mutual Life of New York will open an office May 1 in the Empire State building. It has appointed J. L. Kassoff of Cincinnati, one of its outstanding personal producers, as manager of the new office. Mr. Kassoff is a native of New York City and has been with the company in Ohio since 1915. His previous experience was with the Associated Press, the Chicago Board of Trade, and the New York Cotton & Produce Exchanges.

## AS SEEN FROM CHICAGO

## CHICAGO C. L. U. STUDY CLASS

Several officers of the Continental Assurance of Chicago and Roger W. Somers, the company's new life general agent in that city, are prominent in a new C. L. U. study class which has been formed there. The first meeting was held Monday.

\* \* \*

## STARTING COURSE MARCH 8

The Whatley general agency of the Aetna Life in Chicago March 8 will start its tenth semi-annual life training school, an intensive course covering salesmanship and fundamentals, with concrete illustrations of presentations, approaches, closing and prospecting. In the five years in which these courses have been given, over 300 students have graduated. The classes are under the direct supervision of S. T. Whatley, assisted by S. Leland, Jr., agency supervisor; R. F. Wagenhorst and A. H. Hiatt, Jr., supervisors. All of the instructors have had actual field experience and the lectures are practical as well as theoretical. There is no cost for the course, with the exception of the reference books.

\* \* \*

## SOMERS GOING STRONG

The new life general agency of the Continental Assurance in Chicago, headed by Roger W. Somers as general agent, who opened his office Jan. 1, in the first month wrote and had examined \$750,000 of life business and a

group case totaling about \$750,000. In celebration of the auspicious first month, a dinner was held. L. L. Johnson, vice-president, and D. M. Phipps, director of field service, represented the home office in attendance. The agency started off in February at a fast clip and the goal is a \$5,000,000 year.

\* \* \*

## SETS LOW LAPSE RECORD

The New York Life's Chicago clearing house branch, Frederick Bruchholz, agency director, believes that the business that stays is the business that pays. Last year was the third successive year in which that branch has had the lowest lapse ratio on business less than two years old of any Chicago New York Life branch.

\* \* \*

## BUTLER AGENCY FORGES AHEAD

The W. C. Butler agency of the Bankers Life of Nebraska in Chicago took first place in production in January. The month ran ahead of both 1929 and 1930. This record was made in spite of the fact that five men from the agency were attending the anniversary convention at the home office. William Liscom of this agency, one of the directors of the Chicago Association of Life Underwriters, drew a cash prize at the Bankers Life convention for having the highest average application during 1931. He also finished four years of production as a member of the "App-a-Week" club.



## Life Lawyers Fete State Officials

(CONTINUED FROM PAGE 3)

inasmuch as part of his fund went into the insurance he has a right to all increase and profit. The creditors of the widow and employee demand that \$9,650 of the actual loss of the employer be paid him and the balance be turned over to them.

### Complications Arise

Although the ordinary rule in embezzled funds is that a constructive trust is set up in the fund recovered in behalf of the embezzled person and he may take all of the increase in value, when part of the embezzled fund goes into life insurance, various arguments of equity, policy and sentiment are advanced for modifying the rule on the ground that it is a beneficial provision for the wife and family and therefore should be favored. It is argued that the wife's insurable interest is a property interest which contributed to the value of the policy.

When the embezzlement equals or exceeds the proceeds, the courts, according to Mr. Gruenwald, usually seem willing to grant the injured party the entire fruits as against a widow. Where the proceeds exceed the embezzlement, there is a tendency to favor the widow. This is also true as to credits where the policy is made payable to the estate.

Mr. Gruenwald said that in cases of this kind, the company should pay the proceeds into court.

### Not Good Advertisement

"Life insurance probably," he concluded humorously, "has another claim to its credit as being the safest field to invest funds of every nature, even of the stolen or embezzled variety. We feel sure, however, that no life insurance company will ever advertise: 'Attention! embezzlers, thieves, hoodlums, racketeers, and thugs. Buy life insurance from us with your money. We guarantee that the moll, or wife and kiddies will get the proceeds regardless of the source of the premium deposit.'"

Another regular feature is a review of the life insurance decisions in courts of appeal during the month. At the February meeting, Raymond Olson, general counsel for the Mutual Trust Life, and son of President E. A. Olson of the Mutual Trust, delivered this review.

### William McKinley Officiates

Mr. Stebbins turned the meeting over to William McKinley, general counsel for the Old Colony Life, who first introduced Mr. Lowe. Of the 1,400 companies doing business in Illinois, there are very few that require the sustained attention of the department, Mr. Lowe said. Most of them exercise self supervision. Mr. Lowe said that Superintendent Hanson was an efficient operator of the department, having expended only \$143,000 of his \$170,000 appropriation for the last six months.

Insurance supervision, according to Mr. Lowe, should not extend to the point where it interferes with sound business practice of sound business people so as to embarrass them and halt their progress. But, he said, supervision should exist to the point where the public interest is protected and individuals are not victimized.

### Hanson in Tribute

Mr. Hanson paid tribute to life insurance, for its remarkable strength in a test period. Other speakers were Robert Daly, supervisor of examinations; R. R. Haffner, actuary; D. J. Kadyk, assistant attorney general specializing in insurance legal questions; Neal Russell, casualty examiner; Rufus M. Potts, former Illinois superintendent; A. A. McKinley, brother of William McKinley, who was attorney for the insurance department during Mr. Potts' administration; Alfred MacArthur, president of the Central Life of Illinois; T.

## C. L. U. Text Books Used in Examination

THE NATIONAL UNDERWRITER has gotten out a series of books as recommended study texts for those who are interested in getting the chartered life underwriter degree awarded by the American College of Life Underwriters. These books can be purchased from THE NATIONAL UNDERWRITER, they being as follows:

### I. Life Insurance Fundamentals

- (a) Economics of Life Insurance:
  - (1) Economics of Life Insurance—Huebner ..... \$2.50
  - (2) Outline of Study of Human Needs and Life Insurance—Lovelace ..... 1.30
- (b) Principles and Practices:
  - (1) Life Insurance—Huebner... 2.75
  - (2) Life Insurance—Maclean... 4.00

### II. Life Insurance Salesmanship

- (a) Principles of Salesmanship:
  - Selling Life Insurance—Stevenson ..... 3.50
  - or
  - A Brief Course in the Selling of Life Insurance—T. W. Callihan (2 vols.)..... 5.00
- (b) Psychology of Salesmanship:
  - (1) Psychology of Selling Life Insurance—Strong ..... 4.00
  - or
  - (2) Psychology for Life Insurance Underwriters—Root... 3.00

### III. General Education

- (a) Economics:
  - Principles of Business—Gerstenberg ..... 5.00
  - Economic Problems of Modern Life—Patterson & Scholz..... 3.75
- (b) Government:
  - The New American Government and Its Work—Young..... 3.00
  - Taxation—Loman ..... 2.50
- (c) Sociology:
  - (1) Problems of Social Well-Being—Bossard ..... 3.50
  - (2) Relation of Life Insurance to Education and Philanthropy—Stevenson ..... 2.50
  - or
  - Sociology of Life Insurance—Woods ..... 2.50
- (d) English:
  - A College Handbook of Writing—Woods ..... 1.20

### IV. Commercial and Insurance Law

- (a) General Commercial Law (any of following three):
  - American Business Law—Sullivan ..... 2.50
  - Manual of Commercial Law—Spencer ..... 3.50
  - Law in Business Problems—Schaub ..... 6.00
- (b) Wills, Trusts and Estates:
  - Life Insurance in Its Relation to Wills, Trusts and Estates—Madden ..... 2.50
  - and
  - Living Trusts—Including Life Insurance Trusts—Gilbert T. Stephenson ..... 3.75
  - Business Life Insurance Trusts—Scully and Ganse ..... 2.50

### V. Finance

- (a) Corporation Finance:
  - Rudiments of Business Finance—Meade & Scholtz..... 2.00
- (b) Banking and Credit:
  - Banking and Business—Willis & Edwards ..... 3.50
- (c) Investments:
  - Investments—New 1929 Edition—D. F. Jordan ..... 4.00
  - or
  - Principles of Investment—Kershman ..... 6.00

### Disability and Contestable Clause

The New York supreme court has held that the incontestable clause applies to the disability provision. The case was *Columbian National Life vs. Berger*.

E. Rooney, treasurer North American Life.

Other insurance executives present as guests were President R. D. Lay and Executive Vice-President W. E. Webb of the National Life, U. S. A.; E. S. Ashbrook, president North American Life; President Olson of the Mutual Trust Life and C. O. Pauley, secretary Great Northern Life.

# A SYMBOL

of outstanding achievement...

"Phi Beta Kappa of Life Insurance"  
... the gold key worn by members of The Union Central \$500,000 Club.



WITH pride in their splendid record and confidence in their future achievement, The Union Central presents to the insurance fraternity the members of its \$500,000 Club. These Underwriters were installed at the second annual meeting of the organization recently held in Miami, Florida.

President of the Club by virtue of leadership of the entire Union Central Field Force is Richard J. Conheim. Vice-President is Joseph Gross, who has sold more than a half million annually for the last 13 years.



RICHARD J. CONHEIM



JOSEPH GROSS

## THE UNION CENTRAL \$500,000 CLUB ROSTER

H. Sheridan Baketel, C. L. U.	Hamilton Lee
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Marion A. Knight	Fred Watson
* Maurice C. Kramer	*†B. A. Wiedermann
	*†Emmet C. Wier
	* Edwin A. Zelnicker

\* Indicates two-year membership.

† Manager member.

Over One and One-Half Billions in Force



## The Union Central Life Insurance Company

of Cincinnati

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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### Member Audit Bureau of Circulations

### Getting on More Accurate Basis

In connection with a new basis for giving credit in life insurance field work, it is interesting to know that a number of companies have ceased to consider amount produced as the only criterion. Some months ago THE NATIONAL UNDERWRITER suggested that the time had come for a new measuring rod. Net premiums have been set forth as one element that should be considered. Another should certainly be conservation work. Some formula might be worked out that would much better fit the needs for a qualified agent than mere production. In agency conventions oftentimes a man who deserves to be present does not qualify from the production standpoint and yet his business is much

more profitable than some of the large producers. Net profit and net results are after all goals at which everyone is aiming.

The BUSINESS MEN'S ASSURANCE of Kansas City, presided over by that dynamic character, W. T. GRANT, gives one point for every \$7 in premiums. Since it requires 1,000 points to qualify as a director of the Grant club and consequently to participate in the all-star convention, the requirements for that trip represent \$7,000 in premiums. Thus we see that some companies are swinging around from mere volume to standards that are far more important to consider in a company's progress.

### Work of the Industrial Agent

WHAT the country needs is a return to the principles of industrial insurance and to have people again save up the nickels, dimes and quarters to provide against the rainy day. The industrial salesman has been a promoter of thrift and a teacher of economics. But this teaching should go farther than the purchase of insurance. The industrial agent has done his part in the education of the public in matters of health and hygiene. The METROPOLITAN LIFE and other companies have employed nurses to care for their policyholders when sick. This has been a by-product of industrial insurance which has done much to popularize it. But when the industrial salesman advocates the purchase of life insurance to pay funeral expenses and other obligations when death occurs he has only taken the first step in a sound thrift and public health program. He can and should advocate the opening of a savings account in the savings bank and membership in the building association with a view to the purchase of a home. He can advise against speculative investments and this naturally leads up to the non-speculative investment of ordinary life insurance.

The industrial agent should be a student of economics for the average man. The advice he gives should be sound and he will thereby create confidence in himself.

It is clear, for instance, that the average man who knows little about finance should avoid stock market speculation. Even the rich and money-wise have been fooled by the stock market and the "pikers" have been eliminated long ago. In 1929 the shrinkage from the peak to the low in stocks dealt in on the New York stock exchange amounted to more than \$26,000,000,000. In 1931 this shrinkage had increased to nearly \$66,000,000,000. Obviously, the stock market is no place for the man of ordinary means. His knowledge of stock market operations is second hand. His money should go into insurance, the buying of a home, and in savings banks and building and loan associations.

The industrial insurance man is interested in the social problems of the day as much or more than anyone, even including the professional social worker. He comes in contact with social conditions and understands what the real problems are. In the company and in-

stitution which he represents he carries the solution for many of them. The 200,000 industrial agents of the country could be a great social force if they would.

Take the problem of unemployment. In a typical city of 500,000 population, 40,000 are unemployed. No doubt others are only partly employed. Still others have had their salaries and wages reduced. In this city 1,000 new families per month, for the most part those who have not received aid before, are applying to the unemployment and welfare bureaus.

What is the solution for unemployment? There are remedies of many shades and hues. Some would provide unemployment insurance by the state, others by private companies. There are various radical solutions, which are not

likely to get far in this country. Out in California, it is reported that a new real estate movement is under way. With good roads and cheap automobiles it is possible for a workman to live several miles from his place of employment. If he has enough resources still left, or if he can make a payment of a few hundred dollars, he can buy two or three acres of land and on it build an inexpensive home. He can raise his own food and be practically independent, even when he is unemployed. When he has employment he can go to and from his work in his inexpensive automobile. Here is a solution that is within the reach of practically everyone. No one need starve who has enough enterprise to make this little venture. It is one of the sound solutions of the unemployment problem.

## PERSONAL SIDE OF BUSINESS

L. E. P. Smith, general agent of the Northwestern Mutual Life at Boston, who retires at the end of this month, has been connected with the company for 46 years, starting in January, 1882. Four years later he was appointed general agent. E. J. Smith, father of the general agent, was appointed agent in Maine, New Hampshire, Vermont and Massachusetts in July, 1869. Later he became state agent for Massachusetts and general agent at Boston, Jan. 2, 1871. Therefore he was connected with the company for more than 60 years. L. E. P. Smith became general agent when he was 23 years of age.

As already announced, Ben H. Badenoch of the Hobart & Oates general agency at Chicago, goes to Boston to succeed Mr. Smith. Mr. Badenoch was formerly advertising representative of the Chicago "Tribune." He became connected with the Reliance Life in 1914, and in Dec., 1915, started with the Hobart & Oates organization.

L. J. Fohr, general agent in Chicago for the Connecticut Mutual, is recovering at his home from an injury suffered when he was struck on the back of the head by a driven golf ball on the course at Hollywood-by-the-Sea, Fla., just before the roundup of Connecticut Mutual general agents there. Mr. Fohr expects to be back at work in about a week or ten days.

S. F. Clabaugh, president Protective Life, is president of the "Club of All Nations" organized last week in Birmingham, with 35 members representing 26 countries. The club's purpose is to promote understanding and good will between nations by literary and historical programs monthly.

L. J. MacNab, counsel for the Aetna Life and affiliated companies in its Boston office, died Sunday following an operation for appendicitis. He was prominent as a lawyer, yachtsman and soldier.

R. B. Hull, managing director National Association of Life Underwriters, was unable to keep an engagement to address the Portland, Ore., agents recently because of a snowstorm. W. C. Schuppel, executive vice-president Oregon Mutual Life, was summoned at the last minute as a pinch hitter and performed admirably.

C. C. Day, general agent of the Pacific Mutual in Oklahoma City, gave the key address at the ceremonies dedicating 500 trees planted a year ago by the Oklahoma City Camp Fire Girls.

Col. Frank Knox, Chicago, chairman of President Hoover's recently created

anti-hoarding committee, has appointed C. B. Robbins, president of the Cedar Rapids Life and former assistant secretary of war, state chairman for Iowa.

Vice-president Henry Abels of the Franklin Life, accompanied by Mrs. Abels, has been on a trip to Florida. He is back at his office this week. He was under the weather and took a trip to a warmer clime to get in shape.

Two officers of the Bankers Life of Iowa who have passed the three score and ten milestone recently celebrated birthday anniversaries. Superintendent of Agencies O. B. Jackman was 73 years old Feb. 16, and Assistant Secretary W. C. Ince was 74 on Jan. 23. Both men are hale and hearty and seldom miss a day at their desks.

Feb. 24 was the 49th birthday of Ed Mays, president of the Continental Life of St. Louis, and the agency organization endeavored to give him a present in the form of the largest day's production of paid-for business in the history of the company. In February, "Mays month," the agents are trying to sell \$4,000,000. Pem Denton, president of the Clic Club, is directing the drive.

E. D. Duffield, president of the Prudential, has been named on a committee of seven by Governor Moore to study and report on the best method of financing municipal securities in New Jersey.

William F. Winterble, agency manager at Madison, Wis., for the Bankers Life of Iowa, is a candidate for election to the Madison board of education. The "Capital Times" of Madison published a report that Mr. Winterble's candidacy is being sponsored by insurance agencies which are interested in seeing that insurance on public schools is not carried by the state fire insurance fund.

In honor of the newly elected president of the Bankers Reserve Life of Omaha, W. G. Preston, the agents will devote March to production in his honor. Mr. Preston made his first agency trip 28½ years ago to Washington. At the death of President B. H. Robison, the financial responsibility fell on Mr. Preston's shoulders and he has impressed all with his ability.

Paul C. Snyder has been appointed general agent of the Connecticut Mutual at Harrisburg, Pa., succeeding J. R. Keen, who will make his headquarters at Reading as associate general agent. Mr. Snyder has been a resident of Harrisburg for a number of years. His offices are at 60 Union Trust building but he will move April 1 to the Payne-Shoemaker building at Harrisburg.



# SAVE WITH SAFETY THE WESTERN AND SOUTHERN

HOME OFFICES: CINCINNATI

It is with pleasure and pride that we publish below, for the benefit of our existing and prospective policyholders, the financial status of Cincinnati's great multiple-line insurance organization as of December 31, 1931. Notwithstanding the past twelve months have witnessed the most marked period of arrested economic development this country has experienced, The Western and Southern has progressed and gone forward.

**Conservative Investment Policy, Sound Underwriting and Unexcelled Service To Policyholders**

for years past, and which the present management pledges itself to continue, are alone responsible for this and are our guaranty of the safety and security of our policyholders' funds.

## 1 THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY 1

FINANCIAL STATEMENT—ALL VALUES AS OF DECEMBER 31, 1931:

ASSETS	
Real Estate { Home Office Building and Properties } Less Than \$ 907,500.00	
Real Estate { Real Estate Exclusive of Home Office } Tax Value { 562,261.29	
First Mortgage Loans { City } 95,793,172.24	
{ Farm } 2,891,006.82	
Loans to Policyholders . . . . .	6,879,918.94
Cash, Government and Municipal Bonds . . . . .	14,339,007.85
Net Uncollected and Deferred Premiums, and other admitted assets . . . . .	3,488,315.10
Total Admitted Assets December 31, 1931 . . . . .	\$124,861,182.24

INCREASE IN ASSETS, \$9,500,488.24

Life insurance written on all ages from birth to age seventy, and for any amount up to \$100,000; premiums can be paid weekly, monthly, quarterly, semi-annually or annually, at the convenience of the insured.

The present premium rates of the Company for its life policies are among the **lowest guaranteed premium rates ever offered.**

Protection to policyholders at lowest cost to them is our constant endeavor.

These policies are issued in multiples of \$1,000 and contain guaranteed cash, loan, paid-up and extended values.

## LIABILITIES

Legal Reserves for Policyholders . . . . .	\$104,259,609.30
Premiums and Interest Paid in Advance . . . . .	653,348.98
Taxes (1932) and Incurred Unpresented Items . . . . .	1,696,444.82
Capital . . . . .	\$10,000,000.00
Surplus . . . . .	8,251,779.14
Total Capital and Surplus (additional protection for policyholders) . . . . .	18,251,779.14
Total . . . . .	\$124,861,182.24

INSURANCE IN FORCE, \$765,540,996.00

Increase Over 1930 in Insurance in Force \$12,106,883.00

Annual Rates for \$1,000:

AGES	PREMIUM	AGES	PREMIUM	AGES	PREMIUM	AGES	PREMIUM	AGES	PREMIUM
10	10.67	20	13.00	29	16.37	38	21.78	47	30.80
11	10.85	21	13.31	30	16.81	39	22.55	48	32.16
12	11.05	22	13.63	31	17.35	40	23.37	49	33.60
13	11.25	23	13.98	32	17.89	41	24.25	50	35.15
14	11.46	24	14.31	33	18.46	42	25.17	51	36.81
15	11.69	25	14.71	34	19.06	43	26.17	52	38.57
16	11.93	26	15.10	35	19.70	44	27.22	53	40.41
17	12.17	27	15.50	36	20.36	45	28.33	54	42.38
18	12.44	28	15.92	37	21.04	46	29.51	55	44.47
19	12.71								

SPLENDID OPPORTUNITIES are afforded in our sales organization to young men of education and ambition. Fifty-two weeks' employment each and every year. Communicate with any district office.

## 2 THE WESTERN AND SOUTHERN INDEMNITY COMPANY 2

CAPITAL AND SURPLUS . . . \$1,425,184.17

All Securities Valued at Market December 31, 1931

GROWTH IN PREMIUM INCOME { 1929 . . . \$573,064.61  
1930 . . . \$992,172.89  
1931 . . . \$1,479,038.75

Automobile  
CollisionHealth and Accident  
Plate Glass

General Casualty

Burglary Insurance  
Public LiabilityProperty Damage  
Fidelity and Surety Bonds

## 3 THE WESTERN AND SOUTHERN FIRE INSURANCE COMPANY 3

CAPITAL AND SURPLUS . . . . \$500,000.00

All Securities Valued at Market December 31, 1931

## OFFICERS OF ALL THE ABOVE COMPANIES:

CHARLES F. WILLIAMS, President

CLYDE P. JOHNSON,  
Vice President and General Counsel.JOSEPH O'MEARA, JR.,  
Associate Counsel.T. F. GARDNER,  
Associate Counsel.WILLIAM C. WILLING,  
Associate Counsel.CHARLES M. RISCAY,  
Advertising Manager.CHARLES WACHTEL,  
Manager Mortgage Loan Department.W. S. WENZEL,  
Assistant Vice President Mortgage Loan Dept.PAUL J. VOLLMAR,  
Assistant Vice President Mortgage Loan Dept.CARL G. PETERSON,  
Assistant Vice President Mortgage Loan Dept.MAURICE M. MEEHAN,  
Credit Manager Mortgage Loan Dept.R. A. RYAN,  
Vice President.C. C. STAYMAN,  
Treasurer.E. S. RUNNELLS,  
Auditor.LOUIS N. REIF,  
Assistant Treasurer.CARL H. ALBERTZ,  
Assistant Treasurer.ALLEN C. STEVENS,  
Assistant Treasurer.R. C. MASSA,  
Assistant Secretary.J. L. SAMUELSON,  
Assistant Secretary.J. J. DIERSING,  
Manager Registry Department.F. B. KUHL,  
Manager Revival Department.J. B. NOELLEKS,  
Manager H. & O. Account Department.JOHN F. RUEHLMANN,  
Vice President.I. E. SANFORD,  
Secretary.SAMUEL H. SMITH,  
Superintendent of Agencies.H. THOMAS HEAD,  
Superintendent of Agencies.JOSEPH D. CASSIDY,  
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Purchasing Agent.A. O. PAYTON,  
Field Secretary.J. L. MORGAN,  
Field Personnel Manager.LAUREN SCHRAM,  
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Medical Director.EARL R. BUSH, M.D.,  
Associate Medical Director.RICHARD J. LEARSON,  
Assistant Actuary.D. K. CHENOWETH,  
Assistant Actuary.R. P. EDWARDS,  
Manager Ordinary Issue Department.A. J. BURKART,  
Manager Conservation Department.T. D. FAUCETT,  
Manager Ordinary Policy Loan Dept.B. DILLON,  
Manager Claim Department.G. V. HIATT,  
Assistant Manager Claim Department.WM. C. SAFFORD,  
Vice President Casualty and Fire Dept.CHARLES B. DRAKE,  
Assistant Secretary Casualty and Fire Dept.GUY W. WEAVER,  
Assistant Secretary Casualty and Fire Dept.WM. A. DOODY,  
General Casualty and Fire Dept.N. H. BRETZ,  
Casualty Underwriting Manager.D. E. MURPHY,  
Fire Underwriting Manager.H. E. CLANCY,  
Manager Accident and Health Dept.E. J. JOHNSON,  
Claim Supervisor Casualty and Fire Dept.M. F. LIVINGSTON,  
Agency Supervisor Casualty and Fire Dept.J. G. MCGUIRE,  
Chief Accountant Casualty and Fire Dept.

## DIRECTORS:

CHARLES F. WILLIAMS

RICHARD A. RYAN

CLYDE P. JOHNSON

CLARKE C. STAYMAN

WILLIAM H. LUEDERS

SAMUEL E. STILWELL

JAMES D. McCracken

FRANK C. WILLIAMS

JOHN F. RUEHLMANN

ARTHUR I. VORYS

EDWARD S. RUNNELLS

A co-ordinated program for satisfactory service and sound investment practice

Total Admitted Assets and Resources of Western and Southern Group . . . . . \$126,786,366.41

Our Life, Indemnity and Fire Companies Offer an Unexcelled Service to the Insuring Public

INSURE WITH THE WESTERN AND SOUTHERN AND FEAR NOTHING

## A DAY OF DAYS

February 29, 1932

Old Father Time once in four years flings at us an additional day. We can catch it with both hands, and change the Leap Year jest to a challenge, or, unmindful, we can let it pass.

These additional precious hours and hours can perhaps assure our "making" our Agency's leaders' list, or our Company's honor roll, or our Convention quota,—with increase to our 1932 compensation, and our renewal income pegged up a notch.

A Day of Days and of service and gold?—or just another useless Leap Year freak of February's calendar?

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

## Increased Efficiency

Organized presentations that get better results with shorter interviews enable the Fieldman to organize his time and effort for greatest efficiency.

Guardian Fieldmen have at their disposal field-tested tools which build successful sales.

**THE GUARDIAN LIFE**  
ESTABLISHED 1860  
INSURANCE COMPANY of AMERICA  
50 UNION SQUARE • NEW YORK CITY

## NEWS OF THE COMPANIES

### Large Drive Is in Progress

Columbian Mutual Life of Memphis  
Draws Up Its Forces to  
Attack "Alibi Ike"

The new business written by the agents of the Columbian Mutual Life of Memphis in January was the largest amount written in any month for the past six years. The business so far this month is considerably ahead of the same month in 1930.

President L. T. Binford is conducting a prize contest among the agents. It opened Jan. 18 and will run until April 8, the date of the convention at the home office. Prizes are being offered to the winners. It is expected that over 100 agents will participate.

"Nail the Lid on Alibi Ike" is the slogan adopted for the big drive. When an agent writes a policy he is sent a "nail" each time. He will be expected to bring the nails with him to the meeting. He will then be furnished a hammer and will drive the nails he received into the lid of the coffin in which "Alibi Ike" is to be buried in an appropriate manner.

Encouraging bulletins are sent to the agents twice each week keeping them informed of the progress being made in the battle against "Alibi Ike."

President Binford tells his agents that their biggest obstacle in writing applications for insurance is "alibis." The agency force has responded in an excellent manner, and everything points to a successful drive.

### Selling \$100,000 of Stock

The United of Chicago is marketing \$100,000 of \$10 preferred stock of the United Industrial Shares, Inc., fiscal agency for the United. The stock is being sold largely through the efforts of employees. It is on an 8 percent basis and is cumulative. There are \$75,000 of common shares of the United Industrial Shares, Inc., outstanding and \$300,000 preferred authorized, of which \$100,000 is now being sold. The United Industrial Shares gets a commission on all premium income of the United. Arrangements are offered for installment purchase of the stock. In lots of ten shares or more, the purchaser may pay 10 percent of the total purchase price down, plus a 50 cents a share carrying charge immediately and then 10 percent a month. Units of 14 preferred shares of United Industrial Shares, plus one share of \$25 common stock in the United Insurance Company, are being offered at \$200.

### Atlas Life Is Active

In January the agency force of the Atlas Life of Tulsa, Okla., paid for more than \$1,500,000 in business. E. O. Hawley, agency director, reports that this was the largest month in its history. The business was written without any special contest or sales rewards and is remarkable in that January is usually a slow month, most agents being unable to have all their regular plans in operation. At the end of 1931 the company was able to show a gain of \$1,400,000 in business and now has approximately \$30,000,000 in force.

### Guarantee Mutual Life of Omaha

The new statement of the Guarantee Mutual Life of Omaha shows assets \$16,205,678, surplus \$1,206,081, claims paid last year \$1,748,523, insurance in force \$153,913,912. The company has reserves of over \$13,400,000. It has paid claims since organization 30 years ago \$16,347,069. The Guarantee Mutual is purely a mutual legal reserve old line company.

### Mutual Carriers, Tax Victims

Parkinson, in Annual Report, Protests  
Levies Against a Great Co-  
operative Enterprise

President T. I. Parkinson reported that the assets of the Equitable Life of New York totaled \$1,400,232,748 at the end of the year. Total new insurance issued during the year was \$767,466,692, and total insurance in force amounted to \$7,090,962,853. There was an increase in annuities.

Payments to policyholders totaled \$196,914,000, of which \$71,466,000 was for death claims. More than \$48,500,000 has been set aside for dividends to policyholders during the year. The average net rate earned on the company's outstanding investments was 5.14 percent.

Mr. Parkinson dwelt, in his report, on the taxation of mutual life companies. Government, he said, seems to overlook the fact that life insurance is making a substantial contribution to the realization of the fundamental purposes of government when it levies upon the funds of life insurance policyholders.

"Perhaps," he said, "they fail to appreciate the effect of their tax measures, and if this be so, it is possible that we who administer the funds of our policyholders are partly to blame. By this I mean, that we have failed to educate our policyholders and the public to an understanding of the effect of such taxes, and that by emphasizing the enormous size of our enterprises we have given the impression that they were a legitimate object of heavy taxation. In either case it behooves all of us to clarify the public's point of view with respect to this matter in order that it may be made clear that the volume of our business is no indication that there are profits accruing from it similar to the earnings of the ordinary corporation, and furthermore that a tax laid upon a mutual life insurance company is in reality a direct tax upon the policyholder and hence upon individual thrift. If we exert some effort in this direction perhaps it may come to pass that we will some day be regarded as entitled to the same favorable treatment for tax purposes which other cooperative institutions of thrift, such as savings banks and building and loan associations, now enjoy."

### Continental Conservation Leaders

Charles Mugavero of St. Louis, who was on the roster of the Ed Mays Club of the Continental Life every month in 1931, finished the year with a 98.6 percent renewal record. Three other agents also made the club every month. They are J. B. Hammond, Syracuse, Kan., with 94.9 percent renewed; L. O. King, Great Falls, Mont., 93.8 percent, and Fred W. Mudd of the Fred Blattner agency, Wellsville, Mo., 95.9 percent.

### Interstate Reserve Figures

The Interstate Reserve Life of Chicago reports assets at the end of 1931, \$457,301; reserve, which is not, however, a cash demand liability of \$301,090 and surplus \$87,093. The Interstate Reserve operates in Missouri, Illinois, Michigan and Indiana.

### Liberty Life

The Liberty Life of Topeka, Kan., had the best year of its history in 1931 in spite of the economic situation. C. A. Moore, president, announced at the annual meeting. First year premiums in 1931 were larger than in 1930 and constituted a record for the company. All officers and directors were reelected.

The Building & Loan Life of West Virginia has been licensed in Oklahoma with W. M. Smith, Henryetta, as state agent.



## LIFE COMPANY CONVENTIONS

### Successful Convention Held

**Mutual Benefit Health & Accident and United Benefit Life Had Large Agency Meeting**

The Mutual Benefit Health & Accident and United Benefit Life of Omaha held their first annual agency convention last week. There were 350 managers and agents qualified. The year closed was the best in their history. The Mutual Benefit H. & A. reported 232,898 applications written last year, increase 28,403. The United Benefit Life business last year was \$48,196,998, increase \$20,134,968.

J. D. Sharp of Nashville was the leading health and accident producer, writing 1,258 applications. E. F. Sallander of Omaha was the leading life producer, his record being \$675,000. The United Benefit has \$55,168,937 in force, increase \$15,902,779.

#### Big Production Submitted

When the convention opened \$1,281,000 new life insurance and 1,023 applications for health and accident that had been brought in by the agents were put on the table. Dr. C. J. Rockwell, well known life insurance educator, was the main speaker. The banquet took place Friday night. An amateur show was put on by members of the home office staff, the whole affair being managed by Agency Director E. D. McKim. He was assisted by Miss Fusteen Cox. The work was very cleverly done.

Dr. C. C. Criss, head of the two companies, who has done much in their up-building and development, gave the address of welcome.

### Sun Life Sales Congress

An Alabama sales congress of the Sun Life of Canada was held in Birmingham Feb. 20 with W. C. James, Birmingham branch manager, presiding. Chief speakers were E. W. Owen, manager at Detroit office, and Ray Finger, manager at Pittsburgh. Guests at the banquet included C. C. Greer, superintendent of insurance, and Darius Thomas, president Birmingham chamber of commerce.

### Aetna Regional Dates Set

Dates and places have been decided upon for the Aetna Life's 1932 regional meetings.

Easterners will gather at Asheville, N. C., Aug. 1-3. Delegates from the central region will meet at Mackinac Island Aug. 8-10. The western meeting will be at Troutdale-in-the-Pines, Evergreen, Col., Aug. 1-3. Pacific men will meet at Del Monte, Cal., Aug. 8-10.

## AMONG COMPANY MEN

### Stanley Associate Counsel

**Goes to Mutual Benefit From Firm in Which President Hardin of Company Is Member**

E. O. Stanley, Jr., will retire March 1 from the law firm of Pitney, Hardin & Skinner of Newark to become associate counsel for the Mutual Benefit Life. President John R. Hardin is a member of the same law firm.

Mr. Stanley has served as city counsel of East Orange, N. J., and was major judge advocate of the United States army in 1918-1919, being stationed at the War Department in Washington. He is a graduate of Princeton University

### Fidelity Union Life Muster

**Vash Young of New York City was the Headliner at the Convention**

The Fidelity Union Life of Dallas held its agency convention at Mineral Wells, Tex. Vash Young of the Equitable Life of New York in New York City, whose recent book, "A Fortune to Share" has had a tremendous circulation, made the chief address. He centered his thought on the correction of the improper mental outlook and ineffective working methods. H. K. Peebles of Dallas, agent of the Aetna Life there, spoke on "Every Time a Mule Kicks He Slows Down; a Man Loses Ground." He stressed the necessity of harmony in personal relationships. Talks were given by President C. P. Collins, Vice-President E. B. Smyth and several members of the agency organization. The convention slogan was, "I Will Do Today the Best I Can." The Fidelity Union Life has \$28,509,830 insurance in force, a gain of \$2,500,000.

### State Farm Life Convention Held at the Head Office

The State Farm Life of Bloomington, Ill., and its running mate, the State Farm Mutual Auto, held their annual convention at Bloomington this week. M. J. Fuller, vice-president of the State Farm Life, spoke at one of the sessions, outlining the program for the year. Insurance Superintendent H. W. Hanson of Illinois was a speaker. J. S. Maryman, well known producer of the Aetna Life at Little Rock, Ark., spoke on "More Sales and Less Talk." H. L. Ekern, Chicago attorney, former insurance commissioner of Wisconsin, had as his subject, "1932 Problems Confronting the Insurance Companies." George E. Beedle, secretary of the two companies, who gave the annual report, is a former Wisconsin insurance commissioner.

### Hold Regional Meetings

Spring regional conferences of the New England Mutual participated in by home office officials, general agents and supervisors started with a meeting of eastern representatives at Atlantic City Feb. 23-24. President G. W. Smith attended, and also Vice-president G. L. Hunt, Medical Director H. M. Forst and C. F. Collins, assistant superintendent of agencies. W. H. Meub, Indianapolis, president of the general agents' association, also was present.

A meeting is being held at Atlanta Feb. 26-27. The final meeting will be March 1-2 at Chicago.

## A Complete Field System

### 1. FOR THE PUBLIC

—low non-par rates, complete line of policies including Juvenile and sub-standard, Double Indemnity and Total Disability.

### 2. FOR GENERAL AGENTS

—liberal contracts backed by complete information, materials and assistance in Agency building.

### 3. FOR AGENTS

—liberal contracts plus everything needed for field success: A condensed training plan, a fool-proof Sales Kit; Agency Meetings, individual counsel and assistance.

**SUCCESSFUL** men looking for a **PERMANENT** agency connection in Ohio, Michigan, Illinois or Indiana are invited to communicate with Frank M. Hayes, Vice-President and Agency Director.

## THE FEDERAL RESERVE

### Life Insurance Company

Kansas City, Kansas

### Fouts Agency Supervisor

H. W. Fouts, general agent for the Bankers Life of Nebraska at Clarinda, Ia., has been transferred to the home office at Lincoln as agency supervisor. A university graduate, Mr. Fouts turned from the law to insurance, and entered the company's service at Omaha as a special agent five years ago.

### W. J. Barr Named Actuary

W. J. Barr has been appointed actuary to devote his entire time to the Mid-

## NORTH AMERICAN LIFE INSURANCE COMPANY OF CHICAGO.

E. S. Ashbrook  
President

John H. McNamara  
Founder

Paul McNamara  
Vice-President

### Unquestioned Strength

In 1931 an increase in paid business over 1930 by 8%  
A ratio of assets to liabilities of \$120 to \$100

In the last 12½ years the North American Life  
of Chicago has

more than doubled its insurance in force  
increased surplus 35 times  
multiplied its assets 3½ times

Interested agents not now under contract  
should write direct to the Agency Department

SILVER JUBILEE YEAR—25 YEARS OF SERVICE



### Says the Man at the Wheel:

#### "The Log Tells the Story of a Successful Voyage"

Pilot's 29th Annual Statement points conclusively  
to the continued progress of a company that has ad-  
vanced notably since its founding in 1903.

That statement shows:

Surplus Protection to Policyholders...\$ 1,539,283.61  
Total Admitted Assets..... 13,624,766.10

Over \$100,000,000 Insurance in Force

**PILOT LIFE INSURANCE COMPANY**

Continent Life of Oklahoma City. Here-  
tofore, the company employed only a  
consulting actuary. Mr. Barr had been  
for a number of years actuary of the  
Louisiana State Life before it was sold  
to the Great Southern.

The Mid-Continent reports assets \$5,-  
012,925 and surplus \$385,218.

#### Sun Advances A. M. Weaver

A. M. Weaver, district manager in  
Cincinnati for the Sun Life, has been  
appointed group life and pension man-  
ager for the entire eastern section of  
the country for the Sun. He will trans-  
fer his headquarters to Philadelphia.

M. M. Gatch succeeds Mr. Weaver at  
Cincinnati.

### Southern States Local News

#### Now Adding Training Course

Great Southern Life Increasing Its  
Facilities for Keeping in Touch  
with Policyholders

The Great Southern Life of Houston  
is adding a training course to its serv-  
ice. There will be a complete service  
worked out for policyholders whereby  
they will be kept in closer touch with  
the company. The Great Southern Life  
is endeavoring to use every possible  
means of holding business on its books.  
The state managers met in Dallas to  
map out plans for the year. Agency  
Director and Vice-President Frank Grif-  
fin presided. President E. P. Green-  
wood, Vice-President L. S. Adams,  
Vice-President and Actuary J. C. Cam-  
eron, Medical Director J. E. Daniel and  
Agency Director A. C. Raines were  
present from the head office.

#### Bankers Guaranty Life Case

Detailed Reports Will Be Made Every  
Month by the Officers to Attor-  
ney General

AUSTIN, TEX., Feb. 25.—Dismissal  
of the state's suit against the Bankers  
Guaranty Life of Dallas for forfeiture  
of charter has been ordered by the dis-  
trict court here, Assistant Attorney Gen-  
eral Johnson announces.

Officers of the company have agreed  
to serve without pay for a certain per-  
iod, making detailed reports to the at-  
torney general's department every 30  
days, and to place the company under  
the supervision of the insurance depart-  
ment.

Dismissal of the suit was because of  
a technicality of law. It was first filed  
in District Judge Wheeler's court, then  
transferred to the district court of Judge  
Moore, who was disqualified to try the  
case. Judge Moore transferred the suit  
to District Judge Robertson's court. The  
transfer of such cases is provided by  
statute, but the transfer was attacked  
by W. A. Keeling, former attorney gen-  
eral of Texas and representing the de-  
fendant, on the ground that if Judge  
Moore was disqualified he had no au-  
thority to enter any order, such as its  
transfer to Judge Robertson's court.

O. S. Carpenter of Dallas had been  
appointed by Judge Robertson as re-  
ceiver to take over its affairs. Assis-  
tant Attorney General Johnson in an  
amended petition filed last week charged  
officers of the company with receiving  
in excess of \$100,000 salaries in 1931.

#### Texas Made Uncomfortable for Unreliable Insurers

On motion of Attorney-General Allred  
of Texas, a temporary injunction re-  
straining the American Mutual Life As-

### PROVEN CONTACTS IN EVERY TOWN

Our organization in  
Illinois is unusual in  
that we have desirable  
contacts in every town  
available for our  
agents. This factor  
alone gives our repre-  
sentatives confidence  
because they know  
their time will be taken  
up calling on pros-  
pects who are really  
interested. There is still  
some desirable terri-  
tory open for pro-  
ducers.

### BUILDERS LIFE INSURANCE COMPANY

Karl J. Crist, Executive Vice-President

228 N. La Salle St.  
CHICAGO ILLINOIS

### "I'm Not Sold on Accident and Health"

You hear many life agents say-  
ing this, and quite sincerely.  
Moreover, we cannot but agree  
with them, if they haven't seen  
our new and modern policies.

To the man accustomed to the  
excellent life contract the old  
time A & H policies were not  
what he knew his clients needed.  
Consequently, he was not sold  
on them. But life agents are  
finding they can be sold on our  
Super-Disability policy.

Send in the Coupon for further  
particulars.

MAIL COUPON

### INTER-OCEAN CASUALTY COMPANY

Executive Office  
CINCINNATI-OHIO

Inter-Ocean Casualty Co.,  
12th Floor American Bldg., Cincinnati, Ohio.

Please send me information regarding your ac-  
cident and health policies.

NAME .....

STREET .....

CITY ..... N. E.



sociation of Gatesville, Tex., from operating has been granted and a receiver has been appointed. The attorney-general alleged that membership in the association has become so depleted that 30 percent of the face value of the policies issued can no longer be realized from assessments on members. A shortage of \$4,015 in the mortuary fund is alleged.

An injunction restraining the American Assurance Association of Waco, Tex., from operating has also been granted on motion of the attorney general, who is making a systematic effort to clear the state of unreliable insurance companies. Since taking office in Janu-

ary, 1931, he has filed about 50 suits against such companies.

### Standard Life Meeting

At the annual meeting of the Standard Life of Jackson, Miss., reports were made by President G. W. Covington and T. E. Hand, executive vice-president and general manager. R. W. Hicks, who has been acting secretary, was elected secretary. The report showed that the company had made progress during the year in the face of discouraging business conditions. It doubled its new business last year. It has more than \$6,000,000 insurance in force.

## PACIFIC COAST AND MOUNTAIN

### Taggart Colorado Headliner

**Sales Congress at Denver Draws Large and Enthusiastic Crowd—Hull, Irwin, Hoefflin Speak**

DENVER, Feb. 25.—The annual sales congress of the Colorado Life Underwriters' Association brought out a large and enthusiastic crowd. The attendance at the afternoon session was 467. The convention was called to order by President H. O. Smith, H. A. Nye serving as chairman of the morning session, and P. L. Corbin in the afternoon.

For more than an hour the delegates listened to Grant Taggart, Cowley, Wyo., who produces a million or more every year in a sparsely settled community. He said life underwriters are selling something which is depression proof. He reminds his customers that life insurance is the only commodity bought on the installment plan that is worth more when paid for than in the beginning. He stressed the value of the psychology of suggestion and insisted that even in these times of business depression there is plenty of money available for investment in life insurance. It is up to the life insurance salesman to locate it. Mr. Taggart's success has been due to careful planning, he believes. His paid-for business by quarters for last year was: 45 applications, \$223,000; 64 applications, \$273,000; 63 applications, \$310,000, and 67 applications, \$343,000.

### Would Sell "Money Contracts"

The talk by Prof. W. A. Irwin of Washburn college, which was a decided hit at the national convention at Pittsburgh last October, was well received.

The insurance salesman who is engaged in uncovering business insurance needs should talk about "money for demand on delivery" rather than "insurance," Walter Hoefflin of Los Angeles, western agency director of the Pacific Mutual, said. He stressed the importance of selling money contracts instead of life insurance contracts. "Because men die at such inopportune times," he said, "records of trustee banks indicate most estates are short on ready cash and the cream of the securities of the estates must be dumped onto the market at shameless sacrifices."

R. B. Hull, managing director National association, stressed the important part that will be played by life insurance in the economic structure of the future.

Sales demonstrations were given by R. P. Banks, Denver, general agent Penn Mutual, and Max Derryberry, Pueblo, agency director New York Life. Isadore Samuels, sales congress chairman, was toastmaster at the banquet.

### Equitable of California Expands

The Equitable of California, which has had its home office in the Latham Square building in Oakland, has moved to the Tribune Tower building in that city, where it has taken over the entire ninth floor. A. P. Leach, Oakland at-

torney, is president; Dr. H. B. Mehrmann, vice-president and medical director; R. A. Haight, secretary-treasurer, and E. H. Smith, general manager. Department heads are A. J. Lonergan, claims; O. A. Meister, bond department, W. A. Ruston, industrial.

It is writing commercial accident and health, ordinary life, annuity bonds and weekly premium life and accident and health. Its commercial premiums in 1931 were 14 percent over 1930 and the industrial business, starting in May, 1931, has also developed rapidly. The company is making plans for expansion and expects to enter additional territory as soon as desirable agency connections can be made.

### New Firm at Bakersfield

The Great Republic Life has appointed H. L. Craver and F. L. Johnson, operating as Craver & Johnson, as general agents at Bakersfield, Cal., succeeding L. G. Haas, who was recently appointed agency supervisor.

## AGENCY NEWS

### Abbey Wins National Trophy

**Edwards, Sleeper, Mielenz and Gregory Agencies Get Aetna Life Regional Awards**

The Elmer Abbey agency at San Antonio for the Aetna Life has been awarded the national trophy by that company for having shown the greatest general improvement throughout the year in new business, conservation, quality of business, development of full time organization, etc. The eastern division winner was the R. S. Edwards agency of New York City; central, Paul D. Sleeper agency, Washington, D. C.; western, A. E. Mielenz agency, Milwaukee; Pacific, E. H. L. Gregory agency, San Francisco.

### Woods Co. Has Record January

The Edward A. Woods Company, Equitable Life of New York general agency in Pittsburgh, reports the greatest January production in its history, \$5,038,408 ordinary life and \$1,226,312 group insurance. February is also showing an increase.

### Eide Agency Holds School

Nearly 100 agents of the Earl A. Eide agency of the Prudential attended a school at St. Paul, Minn. Lectures and classes were held daily.

### Clark Agency Wins Trophy

The Robert H. Clark agency of the John Hancock Mutual Life in Boston was this week awarded the trophy for sales leadership and all round efficiency of the company for the year 1931, the presentation being made by President Walton L. Crocker.

# WANTED

**men who can qualify as Branch Managers in NEW YORK and OHIO**

WE are establishing branch offices in New York and Ohio and will aggressively develop this territory. We need more men who can qualify as Branch Managers in these states. The entire resources and experience of this mutual old line legal reserve life company organized 60 years ago will back the men chosen. If interested write today.

JOHN M. HULL  
President

FRANK F. EHLEN  
Director of Agencies

## BUFFALO MUTUAL LIFE INSURANCE COMPANY

Founded 1872

BUFFALO, N. Y.

## Keep Faith

The primary function of life insurance is to compensate a beneficiary for financial loss sustained at the death of the insured. This should be the foundation upon which every new sale rests, and, equally important in the midst of today's hysteria, it should be the argument used to discourage the mortgaging of protection already established.

An insured's FIRST OBLIGATION is to those who are dependent upon him, for it is undeniably true that death releases the father but binds the family. Underwriters who formed the short-sighted habit of selling cash values as a line of least resistance in getting business are today finding their tactics a boomerang in the shape of vanishing renewal income. This is the outcome of policy loans and the lapses which they inevitably engender.

When life insurance is again restored to its rightful place in the mind of the salesman, he will picture and sell it as protection against the ravages of life's SUPREME EMERGENCIES—OLD AGE AND PREMATURE DEATH—rather than as a mere instrument to satisfy the demands of temporary embarrassment.

**AMERICAN  
CENTRAL  
LIFE  
INSURANCE COMPANY**  
Indianapolis



## SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

*A Dollar's worth for every Dollar paid  
regardless of kind of policy purchased*

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies.

Many other forms of Policies equally attractive.

*Operating in Illinois, Michigan, Indiana and Missouri*

## INTERSTATE RESERVE LIFE INSURANCE COMPANY

*A Mutual Legal Reserve Life Insurance Company*  
Ten East Pearson Street : : : Chicago

## LIFE INSURANCE AGENTS and AGENCY MANAGERS ATTENTION !

The Life Insurance Volume (*Sales Management Edition*) of the INSURANCE YEAR BOOK, 1932 Edition—

Will contain a compilation of the best contemporary sales methods and up-to-the-minute ideas on all phases of agency operation and successful prospecting, canvassing and closing—PLUS—statistics that help to sell.

Under the able editing of Edgar Paul Hermann, well known life insurance sales authority, the *Sales Management Edition* of the Life Year Book will be built around a very comprehensive sales section. All phases of agency management and actual selling tactics will be included.

This will be backed by the statistical facts of life insurance of vital interest to every field man, so presented, that these facts and figures can be readily and effectively used in selling.

Printed on strong, light stock; flexible binding, completely indexed. Can be carried in brief case.

Price \$15 per copy—including Reporting Service  
—Full information upon request—

**THE SPECTATOR COMPANY**  
*Insurance Publishers*

TWO-FORTY-THREE WEST THIRTY-NINTH ST.,  
NEW YORK

### NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest," published annually in May at \$5.00 and the "Little Gem" published annually in March at \$2.00

### Classification on Disability

Attitude Companies Have Assumed  
on the Income Plan—Up-to-  
Date List Is Given

There has been demand for a condensed statement as to what companies have done on the income disability. Reports have come to the compilation department of THE NATIONAL UNDERWRITER which is getting up the material for the "Little Gem" and the "Unique Manual Digest." The following therefore will be interesting:

#### INCOME DISABILITY CLAUSE MODIFIED

Amer. Life & Accel.	Pilot Life, N. C.
Amer. Natl. Tex.	Protective, Ala.
American, Ala.	Provident Mutual.
Bankers Life, Ia.	Reserve Loan (only in selection).
Bankers Natl. N. J.	Natl. Guardian.
Brooklyn Natl.	Natl. Savings.
Colorado Life.	National Standard.
Conn. General.	New England Mut.
Conn. Mutual.	Northern States.
Continental, Ill.	Ohio National.
Detroit Life.	Peoples, Ind.
Equitable, N. Y.	Provident, N. D.
Equitable, Ia.	Prov. Life & Accel.
Federal Reserve.	Prov. Mutual (restricted form).
Franklin Life.	Prudential (waiver on 6 mos. waiting period).
Great-West Life.	Register Life, Ia.
Guardian, N. Y.	Reliance Life.
Home Life, N. Y.	Reliance Mut.
Imperial Life, N. C.	Rockford Life.
Inter-Southern.	Roman Standard.
Jefferson Standard.	Royal Union.
Kansas City Life.	Sam Houston.
Liberty Natl., Ala. (men only.)	Security Mut., N. Y.
Lincoln Liberty.	S. E. Life.
Lincoln National.	Southland Life.
Manhattan Mutual.	Standard, Pa.
Mass. Mutual (only more rigid on selection).	State National.
Michigan Life.	Sun Life, Md.
Mo. State (men only.)	Texas Prudl. (disc. except occasional cases).
National Life, Vt.	Travelers.
New York Life.	Union Central.
No. American, Ill.	Union Mutual, Ia.
Northwestern, Neb.	Union Mutual, Mo.
Old Line, Neb. (increased rates \$1).	Union Pacific.
Oregon Mutual.	United, Ill.
Pacific Mut. (only in selection).	Union Life & Accel.
Pan-American.	U. S. Life.
Penn. Mutual.	Victory, Ill.
Peoria Life.	West Coast Life.
Phoenix Mutual.	Wisconsin Life.

#### INCOME DISABILITY DISCONTINUED

Aetna Life.	Hawkeye Life.
All American, Tex.	Home Life, Pa.
Amer. Bankers, Ill.	Home State, Okla.
Amer. Ins. Union.	Illinois Bankers.
American Medical.	Illinois Life.
Amer. National, Mo.	Indianapolis.
Atlantic Life.	John Hancock.
Baltimore Life.	Kansas Life.
Bankers Life, Neb.	Knights Life.
Bankers Reserve.	Liberty, Kans.
Business Men's.	Life & Cas., Tenn.
Canada Life.	Life & Casualty, Ill.
Cedar Rapids Life.	Life Ins. Co. of Va.
Central Life, Ill.	Manufacturers Life.
Chieftain Life.	Metropolitan Life.
Columbia, O.	Midland Life.
Columbian National.	Midland Mutual.
Commonwealth.	Montana Life.
Domestic L. & Accel.	Mutual Life, N. Y.
Durham Life.	Mutual Trust Life.
Equitable, D. C.	National Fidelity.
Farmers & Trad.	National Guar.
George Washington.	Scranton Life.
Girard Life.	State Mutual (men only).
Great National.	Sun Life, Can.
(with exceptions).	Volunteer State.
Great Northern.	Western & South.
Great Southern.	
Guarantee Mutual.	

#### Equitable Life of New York

The Equitable Life of New York has increased its single premium rates for non-participating deferred annuities, effective March 1. The rates on the annual premium non-participating deferred annuity will remain unchanged.

#### Montana Life

The Montana Life has discontinued income disability as of April 1. Waiver of premium is being continued. President H. R. Cunningham states that the company has suffered no serious losses under the income benefit, but a study of claims filed within the past two years "conclusively indicates that if the benefit be retained, it will only be a ques-

## PRACTICAL SALES HELPS...

The only company which deposits full legal reserve on life policies with the State of Illinois.

### PARTICIPATING NON-PARTICIPATING

A complete line of  
ACCIDENT & HEALTH policies.

COMPLETE COVERAGE  
COMBINATION POLICY.  
(Life and Accident & Health in one contract).

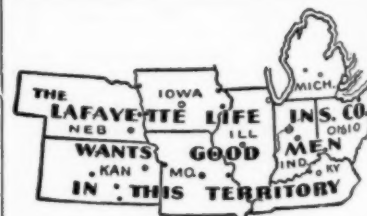
An ORGANIZED SALES PLAN  
which gets results.

## ABRAHAM LINCOLN Life Insurance Company

Springfield, Illinois

H. B. Hill, President

NU



No Better Territory  
No Better Company  
No Better General Agent's  
Contract Than Our Service  
Pension Contract

## THE LAFAYETTE LIFE INSURANCE CO.

W. W. Lane, Secretary  
F. L. Alexander, President  
W. R. Smith, Field Vice-President  
LAFAYETTE, INDIANA



Insurance Audits Budgetary Control

Scovell, Wellington  
and Company

ACCOUNTANTS—ENGINEERS  
18 East 40th Street, New York

Boston Springfield Philadelphia  
Syracuse Cleveland  
Chicago Kansas City San Francisco



tion of time before the company will be in the red on this benefit to the same extent as those companies operating in New York, followed by loss of prestige, policyholder ill-will and agent dissatisfaction. Better a clean amputation than a festering wound."

#### Great West Life

Drastic dividend reductions for 1932 have been put in effect by the Great West Life of Canada. The greatest reductions percentage-wise are seen in endowments. At age 35, for instance, dividend for 1932 on ordinary life issued in 1926-27 is \$6.44 as against \$8.77 in 1931; \$5.71 for 20-pay as compared with \$8.23 last year, and \$5.89 for 20-year endowment against \$10.06 last year. An illustration of the new dividends is presented below:

#### Ordinary Life

Date of Issue	25	30	35	40	50	60
1926-27	4.67	5.53	6.44	6.80	9.06	11.57
1921-22	5.27	5.99	6.21	7.39	8.89	11.78
1916-17	5.70	5.78	6.75	7.22	8.43	...
1911-12	5.49	6.29	6.60	6.95	5.87	...

#### 20-Pay

1926-27	3.85	4.82	5.71	6.06	8.31	11.17
1921-22	4.22	4.97	5.19	6.23	7.57	11.08
1916-17	4.25	4.38	5.14	5.47	6.37	...
1911-12	3.58	4.10	4.16	4.22	3.30	...

#### 20-Year End.

1926-27	4.39	5.28	5.89	6.47	8.09	9.91
1921-22	4.18	4.69	5.19	5.76	6.98	...
1916-17	3.32	3.64	3.98	4.38	4.96	...
1911-12	1.62	1.75	1.82	1.79	1.48	...

#### Philadelphia Life

Some reduction in dividends has been effected by the Philadelphia Life. Actuary E. M. Blehl emphasizes that the 1932 scale should not be taken as a basis for determining subsequent results as the reduction is only a temporary move to operate during depressed business conditions and as soon as conditions improve it is fully expected dividends also

will improve. Dividends for certain ages and durations up to 20 years on endowment at \$5, 20-pay life and 20-year endowment are presented. The first, fifth, tenth, 15th and 20th dividends are presented below for these three forms, the tabulation being only 1932 dividends payable on policies with various dates of issue:

Year	Age	Age	Age	Age	Age	Age
Paid	20	30	35	40	50	60
1.....	\$1.96	\$2.51	\$2.91	\$3.39	\$4.14	\$5.28
5.....	2.09	2.72	3.17	3.46	4.26	5.39
10.....	2.29	3.02	3.28	3.61	4.45	5.51
15.....	2.36	2.92	3.18	3.49	4.20	4.85
20.....	2.46	2.88	3.14	3.43	3.95	4.26

Year	Age	Age	Age	Age	Age	Age
Paid	20	30	35	40	50	60
1.....	\$2.67	\$3.29	\$3.72	\$4.22	\$4.86	\$5.88
5.....	2.97	4.67	4.15	4.39	5.04	5.97
10.....	3.42	4.23	4.45	4.71	5.36	6.09
15.....	3.74	4.32	4.54	4.78	5.24	5.42
20.....	4.17	4.56	4.78	5.00	5.31	5.05

Year	Age	Age	Age	Age	Age	Age
Paid	20	30	35	40	50	60
1.....	\$3.64	\$3.90	\$4.10	\$4.32	\$4.86	\$5.97
5.....	4.36	4.62	4.83	4.73	5.04	6.08
10.....	5.44	5.70	5.54	5.42	5.36	6.27
15.....	6.46	6.34	6.14	5.95	5.63	5.73
20.....	7.78	7.29	7.05	6.81	6.30	5.69

#### Buffalo Mutual Life

New rates are announced by the Buffalo Mutual Life following its change to old line legal reserve basis from the old Buffalo Life Association. The scale at 5-year intervals for six popular forms is:

Age	O. L.	End.	20-Pay	Family Inc.	20	10	20
	Spec.	85	85	End.	Year	Year	Year
15.....	15.71	24.22	46.63	.....	.....	.....	.....
20.....	17.20	25.98	45.92	.....	.....	.....	.....
25.....	16.38	19.10	28.12	46.33	.....	25.95	.....
30.....	18.63	21.54	30.71	46.91	24.96	28.91	.....
35.....	21.58	24.73	33.88	47.78	28.41	32.97	.....
40.....	25.48	28.98	37.85	49.19	33.09	38.75	.....
45.....	30.74	34.73	42.97	51.61	39.65	47.29	.....
50.....	38.02	42.67	49.77	55.75	49.10	.....	.....
55.....	48.01	53.68	59.06	62.61	62.74	.....	.....
60.....	69.20	72.23	73.77	.....	.....	.....	.....

## NEWS OF LIFE ASSOCIATIONS

### ASSOCIATIONS

#### Membership of 1,000 Is Goal

**San Francisco Association Staging 24 Hour Drive February 29 to Attain Objective**

The San Francisco association is planning a 24-hour drive Feb. 29 in an endeavor to raise its membership to 1,000. In a similar drive last fall under J. M. Hamill, millionaire producer of the Equitable of New York, the membership was practically trebled and with the idea in mind of having a minimum membership of 1,000 before the annual convention of the National association in August, President Ben F. Shapiro is now laying the groundwork for the new effort.

Plans are also being made for another twenty weeks' training course, similar to that successfully conducted last fall. G. F. McKenna, Penn Mutual, representing the San Francisco association, and Val Flittner, representing the East Bay association, are joint chairmen in charge of arrangements for the course which is to be conducted on both sides of the Bay with members of both associations in attendance. Tentative plans call for meetings on Monday and Thursday evenings in San Francisco and Tuesday and Friday evenings in Oakland.

Through the course it is planned substantially to finance the entertainment features for the National convention delegates.

Dr. C. J. Rockwell is to appear before the San Francisco association Feb. 26. On the evening of March 2, F. M. See, general agent of the Union Central at St. Louis, will appear. They will be preliminary speakers. It is tentatively planned to have the regular sessions of the course get under way on March 7.

#### Kansas Sales Congress Held

**Salina Sessions Set Record for Attendance and Interest—Many Notables Speak**

The annual sales congress of the Kansas Life Underwriters Association was held at Salina. The Salina association had charge of the meeting which brought out more advanced registrations than at any previous congress. Greater interest was shown in the actual study of life insurance problems than ever before.

The speakers were: F. J. Mercer, president Salina association; R. J. Wetzel, general agent Pacific Mutual, Kansas City, Mo., "The Modern Philosophy of Life Insurance"; Commissioner C. F. Hobbs of Kansas; W. A. Irwin, professor of economics Washburn College, "Life Insurance, an Economic Stabilizer"; the Rev. L. M. Dorreen, Kansas City, Mo., "Conservation"; H. W. Moore, general agent Mutual Life of New York, "The Future of Our Business."

At the dinner C. Petrus Peterson, general counsel Bankers Life of Nebraska, discussed "Face to the Wind." Discussions followed the talks.

#### Selection Problem Discussed

**Dr. H. W. Cook Tells Memphis Men How Last Two Years Have Affected Health**

MEMPHIS, Feb. 25.—Extreme care by agents in picking prospects for big life insurance policies was urged by Dr. Henry W. Cook, vice-president and medical director of the Northwestern National Life, in an address before the Memphis association.

Men who only a few months ago were regarded as splendid risks have through readjustment or economic conditions be-

## Today's Reasons

Mr. W. M. Liscom, one of our representatives in Chicago gave the following reasons, at our recent annual convention, for wanting to continue to represent the Bankers Life of Nebraska.

Mr. Liscom said, "I think our Company is the ideal one to represent, first, because it is sound and it is conservatively managed. . . . Second, it offers unlimited opportunities to the agent of proven ability. General Agency openings are always available. . . . Third, it has an outstanding Home Office School of Instruction for new agents. . . . Fourth, its policy contracts are sufficient to meet every need and its commissions to agents are liberal."

If you are unattached and can handle a General Agency in Ohio, Pennsylvania, Illinois, Iowa or Missouri, write

A. B. Olson, *Manager of Agencies*

## Bankers Life Insurance Company of Nebraska

Founded in 1887

Home Office—Lincoln, Nebraska



## FAMOUS

for the cozy comfort of its appointments and the friendly spirit of its service, the Bismarck is Chicago's outstanding hotel for out-of-town visitors. Add to this its fame for Good Food . . . its most reasonable rates . . . its close proximity to all amusement and business centers . . . and you have the secret of The Bismarck's constantly growing popularity.

Send for Booklet with Downtown Map  
Rooms with bath, \$3.50, \$4, \$4.50, \$5 and \$6  
Rooms without bath, \$2.50

**NEW**  
**BISMARCK**  
HOTEL CHICAGO

RANDOLPH AT LA SALLE

## Who Is Your Boss?

Isn't it strange that a man with wife and kids to support must be told who to see each day or else he is apt not to work? Some men do fairly well under that system. But we are looking for self-starters. The commissions we pay are too high for the lazy man who needs constant supervision. If you are big enough to work for yourself, you'll make money with us.



N. J. Frey, President

Gordon D. Adams, Secretary

come border line cases, according to the doctor.

"It has taken clear vision, an ability to estimate the situation, an optimistic attitude and a rugged constitution to weather the conditions of the past two years," Dr. Cook said.

"The wear and tear on men of high and low degree has been very marked, and careful study has been necessary when lines of more than the usual size were applied for. There is a keener appreciation of life insurance because it has functioned magnificently during a period which I sincerely hope is now closing."

Dr. Cook explained the necessity of care in selections of prospects for big policies as a time-saving factor to avoid possibility of hard work in lining up the prospect, only to have him rejected.

\* \* \*

### Expect Large Attendance at Tri-State Sales Congress

PHILADELPHIA, Feb. 25.—The largest attendance in ten years is expected for the Tri-State sales congress, which will be held here March 24. "Organizing the Seller to Sell" will be the theme. And among the subjects to be covered will be inspiration, education, planning, programming, salesmanship, trusts, business insurance and insurance as an investment.

A managers' luncheon will be held with M. Nelson Bond, Baltimore, general agent Travelers, as speaker.

There will be seven speakers at the morning and afternoon sessions: James A. Griffin, assistant agency manager Phoenix Mutual; William H. Beers, general agent New England Mutual, New York; John W. Yates, general agent Massachusetts Mutual, Detroit; Walter A. Craig, general agent State Mutual, Philadelphia; W. Tresckow, assistant vice-president Central Hanover Bank & Trust Company, New York; A. H. Koltenberg, Mutual Benefit, Grand Rapids;

and John L. Wood, National Cash Register Company.

Speakers at the banquet will be Theodore J. Grayson, University of Pennsylvania; Con McCole, humorist, and Fletcher W. Stites, former Pennsylvania state senator.

\* \* \*

### Fewer Sales No Reflection on Prestige of Insurance

The fact that the total of life insurance sales was less last year in no way reflects upon the strong position of the business at the present time, H. W. Manning, assistant general manager for the Great West Life of Winnipeg, told the Life Underwriters Association of North Dakota.

The falling off in life insurance, he said, has been measurably less than in probably any other line of business. Whereas heavy sales in other businesses have resulted in overproduction, this is not true of life insurance, which is free, by its nature, from the problems of overproduction.

The fact that there have been heavy terminations does not reflect any diminishing appreciation of insurance on the part of policyholders, he added.

\* \* \*

### Vash Young Gives His Talk Before Two Associations

In a measure human beings are like trained fleas, Vash Young of the Equitable Life of New York told the Birmingham, Ala., chamber of commerce and Birmingham Association of Life Underwriters at a luncheon. The flea is trained by putting it in a container. When it leaps it strikes the top and in time measures its leap accordingly, so that when it is taken out of the container it still leaps only as high as the top. That, he said, is the way of many men. They are in a rut, they continue in a habit. Any one can take the big

## No. 14 of ATLANTIC ADVANTAGES

A new and excellent short sales course—"A Guidebook to Early Production"—is now available to Atlantic representatives

## ATLANTIC LIFE INSURANCE COMPANY

Richmond, Virginia

Angus O. Swink  
PresidentWm. H. Harrison  
Vice Pres. & Supt. of Agencies

Honestly, It's the Best Policy



## The Victory Life Insurance Company

Financial Statement as of December 31, 1931

Ledger Assets	
Mortgage Loans	\$1,234,050.33
Policy Loans, Liens, and Notes	513,111.42
Municipal and Liberty Bonds	454,352.96
Cash in Banks	17,200.30
Total Ledger Assets	\$2,218,715.01
Non-Ledger Assets	
Accrued Interest on Mortgages	\$ 51,094.44
Accrued Interest on Bonds	6,748.70
Accrued Interest on Notes	155.57
Uncollected and Deferred Premiums	90,409.82
(Protected by Policy Reserves)	
All Other Assets	7,603.00
Gross Assets	\$2,374,726.54
Less Non-Admitted Assets	21,401.76
Total Admitted Assets	\$2,353,324.78
Liabilities and Surplus Funds	
Net Reserve	\$1,877,720.00
Dividends apportioned to Policyholders	55,730.00
All other Liabilities	19,686.62
Liabilities except Capital Stock	1,953,146.62
Capital Stock	\$100,000.00
Unassigned Surplus	300,178.16
Surplus to Policyholders	400,178.16
Total	\$2,353,324.78

Growth of Company from 1921 to 1931			
End Year	Admitted Assets	Unassigned Surplus	Insurance in Force
1921	\$ 164,578.00	\$ 40,867.00	\$ 2,219,309
1923	270,190.00	60,000.00	6,310,000
1925	553,210.00	91,600.00	11,818,223
1927	1,056,562.00	165,298.00	14,100,000
1929	1,658,033.00	235,000.00	18,301,672
1931	2,353,325.00	300,178.00	20,630,000

Paid Beneficiaries and Policyholders in 1931, \$311,500.00.



jump, but it takes planning, a new outlook on life to make it, he said. He gave his well known address, "A Fortune to Share." Mr. Young also addressed life underwriters and business men at Jacksonville, Fla., under the auspices of the Jacksonville Life Underwriters Association.

**Richmond, Va.**—Dr. R. B. Pinchbeck, head of the department of business administration at the University of Richmond, spoke before the Richmond association on "The Third Era." He said this era began with the Armstrong investigation in 1905-1906, life insurance going ahead by leaps and bounds, with the result that it reached the remarkable total of 100 billion in force a few years ago. He predicted that as soon as the depression is over there will be another swing that will carry it to the 200 billion mark within the next decade. Three new members were admitted.

**Cincinnati**—M. B. Oakes of Indianapolis spoke before the Cincinnati association on "Hitting the Ball." He listed the items which differentiate the million-dollar producer from the man who produces \$100,000 or less, including "Completion of Your Own Insurance Program," "Having a Definite Goal," "Tackling the Hardest Problem First," "Having an Organized Sales Talk," "Keeping Record of Time and Effort Spent," "Sending Greeting to Policyholders on Special Occasions," "Planning Work," "Study of Life Insurance and Life Insurance Trends," "Study of Outside Things" and "Prospecting for Men With Money."

Mr. Oakes also said that the time should be divided as follows: "Off Hours," "Meditation Hours," "Study Hours," "Planning Hours" and "Working Hours."

The Cincinnati association will hold a one-day sales congress in March. Noted speakers who have accepted invitations to appear include Oliver Thurman, Vincent Coffin and Roger B. Hull.

**Jackson, Miss.**—Mrs. W. S. Pritchard, clubwoman of national reputation, will be the guest speaker of the Mississippi Association of Life Underwriters for the monthly luncheon at Jackson March 7. Her subject will be "Life Insurance."

**Baltimore**—Plans are being made for the congress of life underwriters of Maryland and the District of Columbia to be held in this city May 6. Those in charge are F. B. Anderson, chairman, general committee; J. C. Handy, secretary. Chairmen of sub-committees are: W. P. Steadman, speakers; E. J. Becker, registration; T. M. Green, music; Clayton Demarest, Jr., luncheon; A. H. Krug, publicity; C. W. Sloan, finance, and H. N. Taylor, transportation.

**Boston**—The Boston association will have its sales congress March 18. Rev. Fredric Olsen of Kittery, Me., Ray C. Ellis, general agent Home Life of New York City, Dr. S. S. Huebner, C. G. Taylor, vice-president Metropolitan Life, Sam Vogelsson of Philadelphia, Equitable Life of New York leader in production, and John L. Shuff of Cincinnati, general agent Union Central Life, will be the speakers.

**Montgomery, Ala.**—Superintendent Greer was the principal speaker at the February meeting of the Montgomery association.

**Columbus, O.**—Speakers at the sales congress March 3, under the auspices of the Columbus association, will include Vincent B. Coffin, superintendent of agencies Connecticut Mutual; W. B. Bailey, economist, Travelers; Raymond Ellis, general agent Home of New York, and A. G. Borden, vice-president Equitable of New York. Prof. F. D. Slutz of Dayton will speak at the luncheon. Stanley K. Coffman is chairman of the program committee.

**Akron, O.**—At the Akron association's February meeting, J. Perry Meek, general chairman of the Life Insurance Day program in Indianapolis, when \$3,780,000 of new business was written, told of the handicaps the underwriter must overcome and the methods used to overcome them, which methods were used by the Indianapolis group in the Life Insurance Day campaign. Mr. Meek outlined his own methods in writing 4½ "apps" a week for several years. Four new members were introduced.

**Orange County, Cal.**—The Orange County association met at Santa Ana with an attendance of over 50. A. I. Mellenthin, executive vice-president of the Commercial National Bank of Santa Ana, discussed the new Reconstruction Finance Corporation and its effect on general business conditions throughout the nation.

W. E. Hays, Mutual Life of New York, spoke on "The Investment and Financial Structure of Life Insurance Companies," followed by an open discussion.

**St. Paul**—Earl Smith, educational director of the Equitable Life of Iowa, addressed the St. Paul association at a luncheon meeting Feb. 23.

**Sioux City, Ia.**—With 100 Iowa, Nebraska and South Dakota life underwriters in attendance, a one-day sales congress was sponsored by the Sioux City association, at which Dr. C. J. Rockwell was principal speaker. F. F. Fowler and R. D. Troutman staged a skit, "Sales Resistance," at the luncheon. J. M. Showalter, R. M. Tresudell and Lloyd B. Gettys presided at the various sessions.

**Des Moines**—The Des Moines association plans to hold a one-day sales congress April 4, headed by Dr. C. J. Rockwell, who will give three lectures: "Ten Essentials of Successful Life Underwriting," "Equipment for Selling Business Insurance," "Constructing a Life Insurance Program."

**Lincoln, Neb.**—R. B. Hull, managing director National Association, was the principal speaker at a meeting of life

# PROGRESS

Over 450 new men and women joined our sales force in 1931.

These men and women contributed over 21% of the company's new business during the year.

New agents together with those who have served our organization loyally for many years are responsible for the progress and prestige of the Berkshire Life.

Again we give credit to our sales force for the gain in assets, insurance in force and good will in 1931.

Truly it can be said that the Berkshire Life holds an enviable position among the country's strongest life insurance organizations.

ASK ANY  
BERKSHIRE  
AGENT

BERKSHIRE LIFE  
INSURANCE COMPANY

PITTSFIELD, MASSACHUSETTS

INCORPORATED 1851

FRED. H. RHODES, President

## Come to the GREAT REPUBLIC LIFE

and Double Your Production by  
Writing Its Wonderful New

Select Risk Life Expectancy Policy

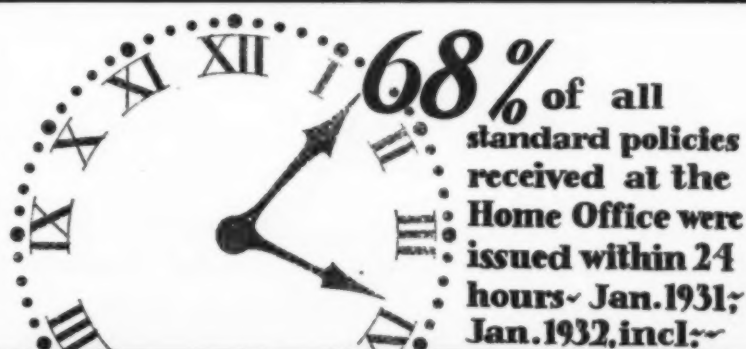
Guaranteed Low Cost with many attractive features, including Disability, Double Indemnity, Loss of Members and Beneficiary Insurance.

Maximum Protection for Minimum Deposit. Full coverage for the active years of life with extremely liberal conversion privileges.

Liberal first year and renewal commissions paid to experienced life underwriters.

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Company Fort Wayne, Indiana

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at once, \$200,000 per year producer, of good character. Private office and every possible service given. One of largest and oldest life companies. Business is good with us. Address W-3, The National Underwriter.

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JACK ROBERTS HANN, Pres.  
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NORTH MICHIGAN AVE  
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now go hand in hand. Men of affairs demand both. Life Insurance creates the estate. The Life Insurance Trust safeguards it.

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## Prosperous

Writing all standard forms of participating and non-participating insurance contracts. Liberal and profitable contracts offered dependable men who desire success.

S. M. Cross, President

## COLUMBIA LIFE INSURANCE COMPANY

Cincinnati, Ohio

Desirable territory open in Ohio, Indiana and Kentucky.

## Girard Life Insurance Company

Philadelphia, Pa.

Has excellent General Agency openings in Ohio, Pennsylvania and Michigan

Generous first year and renewal commissions.  
Low net cost policies.

We seek General Agents of high character and ability, who are willing to devote efforts to building a real General Agency.

When writing give us a fair word picture of yourself and your insurance experience.

Your correspondence will be treated confidentially until such time as we have your permission to make inquiry.

## Rockford Life Has a Message for You

President F. L. Brown  
Rockford Life Insurance Co., Rockford, Ill.  
Dear Sir: SEND ME THE MESSAGE

It Concerns  
General Agencies

Name .....

Address .....

City ..... State .....

insurance men at Lincoln, under the auspices of the Lincoln association. Among the guests were a number of out-state association executives and members. Mr. Hull said life insurance holds out to the individual and the nation the one safe and sure road back to national security.

\* \* \*

**Los Angeles**—The Los Angeles association will hold an all-day sales congress March 4. Speakers will include F. M. See, St. Louis general agent Union Central Life; Frederick Faulkner, superintendent of field service California-Western States Life; Shirley D. Parker, New York City, and Paul Zerrahn, manager of the trust advisory department of the California Trust Company.

\* \* \*

**Utica, N. Y.**—Maj. A. P. Simmonds, noted Arctic explorer, spoke at the February meeting of the Utica association, 50 guests being present. He described life in the Arctic region.

### Interesting Case Involves Tax on Business Insurance

Taxation of the proceeds of business life insurance was the subject of an important decision by the United States district court at Kansas City in a case involving a stock purchase plan by stockholders of the Kansas City "Star." District Judge Otis held the proceeds not taxable.

All of the authorized common stock of the Kansas City Star Company was issued to the New England National Bank & Trust Company under a stock trust indenture. Certificates of participating interest were issued to all the stockholders, all of whom were employees of the "Star." Irwin R. Kirkwood owned slightly more than half of the certificates. There was a stock purchase agreement and in order to provide the funds for the purchase of Kirkwood's interest, life insurance to the amount of \$625,000 was taken out on his life. Proceeds were payable to the trustee and on Kirkwood's death were used to pay his estate for his interest. The premiums were paid by the Kansas City Star Company.

The internal revenue department first ruled that the proceeds were not taxable, but later ruled that they were taxable in the proportion which Kirkwood's interest in the stock bore to the whole amount of the common stock. This, says the court, was obviously on the theory that since the premiums were paid by the Kansas City Star Company, and since Kirkwood was an owner of stock in that company, payment by the company of the premiums was a payment by the stockholders. The court rejected this construction and ruled that the proceeds were not taxable.

### Blame Claim Rise on 90-Day Clause

(CONTINUED FROM PAGE 3)

mum was usually accompanied by some liberalization which was meant to be minor and merely to be the sugar coating for the bitter pill. However, it seemed as if letting down the bars slightly in one corner of the field undid all the good that was obtained from putting them up higher at another point. The net result was that with all the changes that were made, disability income experience got worse instead of better.

#### Ever Elusive Profit

Not until July 1, 1930, were restrictions drastic enough to do more good than the harm done by the accompanying liberalizations, and even these modifications were soon seen to be insufficient to put disability on a paying basis.

Right now actuaries seem to be open-minded about the effect of the new and very drastic restrictions that some companies are putting into effect. They are not inclined to be dogmatic, to say that there is only one right course, whether their particular company has given up disability entirely, or modified its rules and rates, or is keeping the present arrangement.

## ACTUARIES

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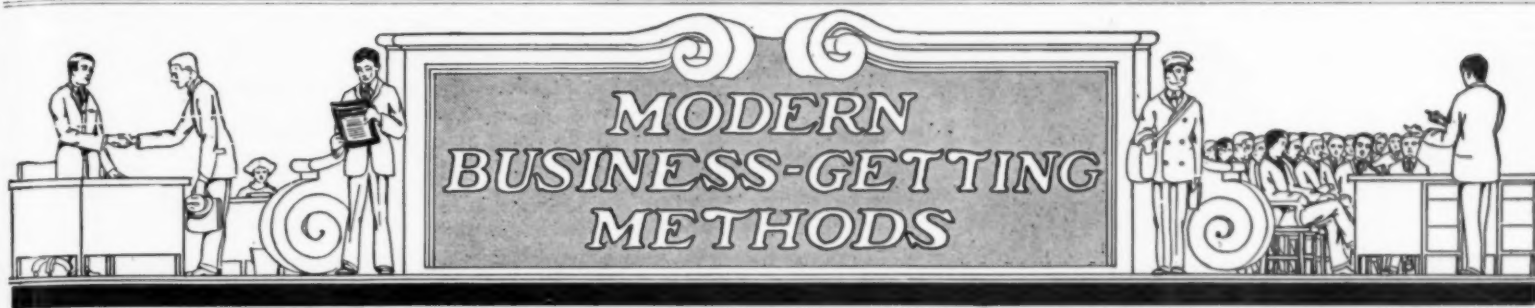
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## University Man Tells How to Use Sales Principles That Are Basic in Dealing With Life Insurance

Prof. Fred Russell of the school of commerce, University of Illinois, in speaking before the agency convention of the Country Life of Chicago, applied some of the basic rules of salesmanship to life insurance work. In soliciting farmers he said that the point could well be made that there will be no increase of moment in farm values during the present generation. In days gone by a farmer bought a piece of land and he knew that it would enhance in value. Therefore he rested on the fact that his estate was increasing without any particular effort because land values were going upward. Nowadays a farmer can not rely on that fact.

### Farmer Must Create Estate Through Life Insurance

He must create his estate in a different way. He must become a better farmer and a better business man. The life insurance man can point out to the farmer what he can accomplish through life insurance. The farmer must realize of course that people will be paying the cost of the great world war for years to come. Professor Russell gave it as his opinion that there will not be an upturn in prices. He looks for a general level to run for many years to come with here and there the curve going upward and downward, but for the most part he sees the curve running along on a level stretch. Therefore men cannot count on increased prices to help them out.

Professor Russell deprecated the high pressure salesman who endeavors by mere force to overcome sales resistance. A man like that will not have permanent success. He said that in the sale of life insurance the agent must appeal to the prospect in a way that concerns him personally. He must see that there is something offered in which he is very much interested.

### Illustration Is Used to Explain Right Approach

Professor Russell said that a life insurance man suggested the other day that it would be a good thing if his two boys would each save 10 or 15 cents a week and by the time they were 65 years of age, through the medium of life insurance, they would have a very cozy estate. The two boys are in college and they can cut down, for instance, on their cigarette purchases to do this. Professor

Russell was immediately interested in this proposition. Another man found that Professor Russell had a mortgage on his house and that his loan was carried by a building and loan association. The life insurance man told him that if anything happened to the building and loan concern he would have to pay up for the stock or shares that were under contract for purchase. He suggested, therefore, that the loan be transferred to a life company and that he take out insurance to the amount of the mortgage, the annual cost being not much more than what he was paying to the building and loan association. This would relieve him from any additional liability. He cited these two cases to show how two discerning life insurance men studied his case and approached him in a way that interested him very much.

### Simplicity and Clarity Are Needed in Selling

Professor Russell argued for simplicity and clarity in selling. After all, he said, insurance is based on certain fundamentals. He declared that when a person presents something to another that the latter desires, the sale is half completed. Too many people, he said, endeavor to work out tricks of salesmanship, rather than to rest on fundamental principles. Rockne, he said, did not spend his time in endeavoring to work out new plays. His football strategy rested on the fact that a man must run, must dodge and there must be good interference. Those are basic football principles and Notre Dame won its games largely because the men were trained in these fundamentals. Professor Russell said the secret of selling was to do simple things well.

He said that in the first place a salesman must suggest something of advantage to the buyer. Secondly, he must have the evidence to prove the claim he is making. In the third place he must use persuasion to move the prospect.

### Insurance Men Should Study Their Business

The speaker said that insurance men should study their business and learn all they can about it. They should be masters of their calling so that they will not be taken unaware. The fact that the salesman may not know what to say when he is plied with questions or ob-

jections raised will very likely dampen his own ardor and will certainly have an effect on the prospect.

Professor Russell said that a man must have the ability to analyze and study his prospects successfully. They differ as to needs. More and more, people are becoming insurance-minded. The number that do not buy insurance at all is becoming smaller. He deprecated twisting because he said it tends to undermine the confidence of the people in life insurance itself. Selling, he said, should be constructive and should not tend to undermine the trust in the product itself. People, he declared, differ as to their buying motives.

### Caution Should Be Preached to the Buying Public

He said that insurance salesmen should teach caution. Some people feel they should make 7 percent on their money and yet when anything is offered paying 7 percent today it is highly speculative. Men should have learned by this time that they are not financiers. They should have sense enough to recognize the fact that they are not. Therefore when a life insurance salesman presents life insurance it is a conservative investment. Professor Russell said that it stamps a man of intelligence when he carries insurance. He is looked upon as a thinking, responsible man.

The speaker urged agents to see that their recommendations as to life insurance fit in with a prospect's entire program.

Sometimes, declared the speaker, the life insurance man talks too fast and gears up his machinery too highly. The prospect cannot keep abreast with him. He advised, therefore, the man to go more slowly in his presentation so that the prospect can absorb what is being said. The prospect should always be able to follow the salesman.

### Prospect Should Do the Figuring Himself

When there is some presentation to be made in the way of figures he advised having the prospect do the mechanical work. The agent can tell him what to do and what figures to set down, but the prospect himself should hold the pencil and put down illustrations. That is good psychology, said Professor Russell. It is good psychology because the prospect in this small way begins to do what the salesman suggests. It is a start toward repeated suggestions being followed. As Professor Russell stated, salesmanship is one suggestion after another.

"Get the prospect right in the picture so that he will be interested," said Professor Russell.

(CONTINUED ON NEXT PAGE)

## Sales Stimulators for Life Men Are Listed by Kenagy

BOSTON, Feb. 25.—H. G. Kenagy, Life Insurance Sales Research Bureau, gave eight ways for life underwriters to stimulate their sales at the Boston Life Underwriters' Association meeting last week:

"1. Make a plan for yourself to fit your own case and needs, and publish that plan. Tell other men what you are going to do. Get yourself on record as to what you are going to do in a stated time.

"2. Bet on yourself. Put up some money. Bet \$100 with a fellow agent that you will attain your goal.

"3. Go on record with your family, your wife, or some woman interested in your success and ask her to check up with you. My family is about the strongest incentive I have to do my best.

"4. Put your objectives down in dollars and cents, and calculate as to what you must earn each week. Budget your needs for food, rent, luxuries, etc., and schedule them.

"5. This some few of you can do. Get the trappings of business around you. Form a board of directors to which you must make reports every month, or every three months, regularly. Get your banker on that board, your wife, a business man and your general agent. Make it a business proposition.

### Spend Time Prospecting

"6. If you have difficulty in getting enough interviews, you need a plan to get more. Spend one or two days a week prospecting. Spend Monday and Tuesday prospecting making appointments for the last four days of the week.

"7. Set up for yourself a personal achievement program what you wish to accomplish. Put on paper what you are going to accomplish, and when. If you want a home, an automobile, or anything else put it down. Make two copies of your program and let your manager and general agent keep the copies. Put up a copy where you can see it. Then when each item has been achieved cross it off.

"8. If you are not as successful as you think you can be, are not on the level you think you ought to be, set a time limit in which to reach that level. Then write out your resignation and date it on that date and hand it to your general agent, the resignation to take effect if you have not written the full amount specified in that agreement."



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## University Man Tells How To Use Selling Principles

(CONT'D FROM PRECEDING PAGE)

fessor Russell." Whenever a group picture is taken and a proof is brought around each person looks for himself first. In presenting the program the agent should know the correct names of the children of the prospect. They should not be referred to as the "kids," but they should be called by their names. The whole family should be put in the foreground.

"Ofttimes it is necessary to make a number of calls on a prospect. On each call there should be left the germ of a constructive idea that will grow and develop. There should be a new approach at every call back. Some new thought should be used as the excuse for the call. There are a thousand and one suggestions to make as to life insurance and its application to a man. There is no need of going back and presenting the same idea.

"Do not contradict or interrupt the prospect when he is talking unless he is guilty of making some glaring misstatement. The average wife is not sold on life insurance. She does not relish the idea of profiting by the death of her husband. Many women can stop the sale of life insurance that have been successfully consummated so far as the men are concerned. Therefore they must be convinced of its value.

"Many men during the last two years have been impressed with the value of life insurance, especially in localities where banks have failed. People realize that there is a great benefit in life insurance aside from the value that comes at the death of the holder of the policy.

### Agents Should Do Their Selling Thoroughly

"I always tell life insurance men to do their selling thoroughly. Fast selling does not engender permanent success and it is not satisfying. After a prospect is sold and his policy delivered he should be kept sold. The agent should call and see him from time to time and give him some information about his policy, his company or life insurance in general. He should maintain his interest and by keeping in touch with him the agent becomes a real insurance counselor. In these days when banks are failing very often life insurance men have gone to their policyholders when premiums are coming due and explained to them that they can take advantage of the automatic extension privilege if they care to. They should point out ways and means of financing the payment of a premium through the policy itself if there is any equity in it. Service of this kind keeps the policy sold. The agent who watches his policyholder and is alive to his interests always gains the confidence of the policyholder.

### Objections Should Be Taken Care of Without Delay

"Answer objections quickly. When a prospect brings up an objection get it out of the way as soon as possible. Do not hesitate to answer. If the objection is not answered satisfactorily, there is a negative attitude taken at once. The hardest man to sell is one who is silent and says nothing. I would rather have a man bring up objections than have him sit back and say nothing. Sometimes in case of a reserved man it may be necessary to hint about some possible objections yourself so that you can overcome them as you bring them up. Smoke a man out if it is necessary. Hint at his objections if you can. If he is expressing an opinion do not contradict him because he has some pride in his opinion. If he is simply bringing out

## Professes Deafness First Five "Noes" in Every Interview

In normal times it pays a life insurance man to be almost deaf to "no" and unusually acute of hearing when "yes" is said, but more than ever is this true in the depression period. The stock crash and business difficulties are two alibis which the public has found are accepted at their face by many life insurance men and as a consequence are being worked overtime.

One big Chicago producer makes it an invariable rule in every real interview to ask the prospect not less than five times to buy the insurance. He says he makes an outright demand and refuses to hear anything but the fifth "no."

In the past he has used a number of prepared presentations built around novel ideas, but in the present emergency he has pigeonholed all this material and boiled down his talk to essentials. He says the average business man these days is worried about finances and how to save his business. Consequently, he has very little time to give to a salesman.

The Chicago producer goes on the basis that the prospect either wants to buy insurance or doesn't and it is better this year to depend on the law of average and put his proposal as plainly as possible to as many people as possible every day, in order to find without wasting time, those who do want the insurance.

He puts all men today in two brackets and tells them so in his talk, the first those who suffered heavily in the stock crash and resulting business depression and who therefore have a plain need for restoring of their estates to the size required. The other group is those who perhaps did not suffer so great direct damage in the last two years and who believe they have enough life insurance, but are suffering from the business slump, depreciated values of securities, real estate, merchandise stocks, etc. He points out that this group also practically without exception needs additional life insurance.

This is the sum and substance of his canvass. He makes the issues immediately plain and the remainder of his talk is devoted to asking the man to take additional insurance, and, after a rejection, leading around again to the same request four more times.

reports that are misleading or if he has intimations that he has heard, then is the time for the agent to strike hard. If his objections are trifling don't magnify them. If an agent spends too much time trying to overcome these minor objections the prospect himself begins to think they are important.

"We hear a great deal about closing the sale. As a matter of fact the sale should be closed all along during the interview. A man should not be given a whole mouthful at the end to chew and masticate. It would be just like a waiter taking an order, telling about the juicy T-bone steak and its size and then insist that the diner eat it at one mouthful. Feed your prospect a mouthful at a time. Let him masticate and assimilate what you give him. Don't rush him with your food. Finish one point at a time and see that the prospect thoroughly understands it. When the sale has ended it should be merely the beginning of another sale. You should be in a position to make repeat calls and write new insurance from time to time on your old policyholders."

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